

# TRANSCRIPT

## LEGISLATIVE COUNCIL ECONOMY AND INFRASTRUCTURE COMMITTEE

### **Inquiry into the impact of the COVID-19 Pandemic on the tourism and events sectors**

Melbourne—Wednesday, 19 May 2021

#### **MEMBERS**

Mr Enver Erdogan—Chair

Mrs Bev McArthur

Mr Bernie Finn—Deputy Chair

Mr Tim Quilty

Mr Rodney Barton

Mr Lee Tarlamis

Mr Mark Gepp

#### **PARTICIPATING MEMBERS**

Dr Matthew Bach

Mr David Limbrick

Ms Melina Bath

Mr Andy Meddick

Dr Catherine Cumming

Mr Craig Ondarchie

Mr David Davis

Mr Gordon Rich-Phillips

**WITNESSES**

Ms Bea Tomlin, Risk and Safety Consultant, Beaspoke Safety; and

Mr Damian De Jong, Vice-President, Action Events.

**The CHAIR:** The Economy and Infrastructure Committee public hearing for the Inquiry into the Impact of the COVID-19 Pandemic on the Tourism and Events Sectors continues. Please ensure that mobile phones are switched to silent and that any background noise is minimised.

I wish to begin by acknowledging the traditional owners of the land, and I pay my respects to their elders past, present and emerging. I wish to welcome any members of the public that are watching via the live broadcast.

My name is Enver Erdogan, and I am Chair of the committee. I would like to introduce my committee colleagues: Mr Barton, Mr Gepp, Mr Quilty, Mr Tarlamis, Ms Lovell and Mrs McArthur.

To all witnesses appearing before the hearing today, all evidence taken at the hearing is protected by parliamentary privilege as provided by the *Constitution Act 1975* and subject to provisions of the Legislative Council standing orders. Therefore the information you provide during this hearing is protected by law. However, any comment repeated outside the hearing may not be protected. Any deliberately false evidence or misleading of the committee may be considered a contempt of Parliament.

All evidence is being recorded, and you will be provided with a proof version of the transcript following today's hearing. Ultimately those transcripts will be made available on the committee website.

We welcome your opening comments but ask that they be kept to a maximum of 5 to 10 minutes to allow plenty of time for discussion. Could you please begin by stating your names for the benefit of the Hansard team.

**Mr De JONG:** Damian De Jong from Action Events.

**Ms TOMLIN:** Bea Tomlin from Beaspoke Safety.

**The CHAIR:** Thank you. Which one of you would like to go first?

**Ms TOMLIN:** I will go first.

**Mr De JONG:** You go first.

**The CHAIR:** All right. Bea, go for it.

**Ms TOMLIN:** Okay. Well, good afternoon. My name is Bea Tomlin from Beaspoke Safety, and I have worked as a Risk and Safety Consultant specifically in the events industry for the past 20 years. Since the beginning of the pandemic I have worked through the many challenges with my clients, who range from music festivals, corporate and business events, marketing activations and exhibitions through to school fairs, community events, not-for-profit fundraisers and local government departments. Whilst I can talk to you about my projects that were cancelled since March 2020 and talk you through the multitude of challenges and frustrations of the last 14 months, of working closely with my clients to try and get their events happening again, ensuring compliance with restrictions, guidelines and approvals as well as overall risk, I am also here representing the 2500 supporters of Save Victorian Events. Save Victorian Events was formed in July last year to support and give a real voice to the people and businesses across the whole events industry—the freelancers, the small family business operators. This inquiry is an opportunity for those voices to be heard.

Our Victorian events industry has been decimated by the COVID crisis, with only about 10 per cent of Victorian events currently happening, and I will get to the need for COVID cancel insurance shortly. We now know we have lost over three quarters of our technical experts and have seen similar job losses right across our industry. We have lost so much of our industry's talent there is a shortage of skills, and this is with only a few events currently happening. Right now there is a need for direct financial support so businesses can both survive and afford to have staff to gear up again.

To understand Victoria's events industry you need to hear from the event management companies that actually organise most of the events that happen in Victoria—from the people who are having to make extremely difficult decisions about proceeding with events and who are making huge financial commitments and who are having to wear the real risks. I can give my understanding of what my clients are going through, just as the production supplies gave their understanding, but this is very different to hearing firsthand from the people who actually organise the events.

In my submission to the inquiry I stated that the Australian events industry has some of the world's best practitioners, whose expertise should and could be utilised to assist the move into the COVID normal; that the situation we are in provides an opportunity for both the Victorian government and the events industry to work together to update guidance material for the industry by the industry experts; that this industry needs to be recognised as its own—not pigeonholed with other industries such as tourism, music or the arts; that all the various suppliers and contractors, who no doubt cross over into the other industry sectors, are also recognised as a vital part of the events industry; and that focused resources are to be provided to support the entire events industry. But these are the points the Victorian government fails to understand over and over again. Just look at this inquiry. Only one event management company has been called to appear in front of you—just one event management company out of all the 40 witnesses who have appeared to date; just 45 minutes of our five days. That is why we are all so frustrated and feel abandoned by the government.

I have worked with many different event management companies, so I know firsthand that there are many different types of event management companies and event organisers in different markets, with different operating models and hence different experiences and challenges. We are a very diverse industry, and that is why you need to hear from those people.

You need to hear from Sue Ryman-Kiernan at Wise Connections, submission 45, who organises conferences for not-for-profit and corporate sectors to hear about when her clients will be starting to hold live events again here in Victoria so that she can explain to you the things that are stopping conferences from happening, like the lack of COVID cancel insurance, and how her clients are deciding which state to hold their events in and how Victoria is viewed as a possible destination by real clients.

You should listen to Steve Smith, the general manager of DG Global, whose submission is yet to be uploaded on the parliamentary website, about the number of charity events that they have had to cancel due to concerns about lockdowns and insurance, about the heartbreak of having five suppliers in one week saying they were shutting down because their banks had withdrawn their support and about the real time involved in applying for getting approval for a very recent and complex business event under the public event framework, and also about having a team from the Department of Health with no events experience arrive on their site unannounced and them having to stop and explain to them the basics of how an event actually works.

You need to hear from ... submission 17, to hear the royal struggles that the exhibition organisers faced when their event at the Royal Exhibition Building was suddenly cancelled as it was to be turned into a vaccination hub with no notice. They can also explain how the exhibition organisers are dealing with the huge challenges that they now face even being able to hold an exhibition in Melbourne because not all exhibitions and organisers can afford to go to the MCC and the showgrounds.

From ICMS, submission 88, to hear how the February lockdown caused one of their clients to cancel a 500-person conference this September, and they would have spent \$450 000 on accommodation alone. They can also explain how the client would have gone ahead with the event if there was COVID cancel insurance available. You should also hear from Peter Worth from Audio Visual Dynamics—submission 46—one of the largest privately owned audiovisual companies in Victoria. They provide the in-house visual operations for many major hotels in Melbourne. He could give you a real insight into the vast number of business events that clients organise in major hotels. He can advise you about the real impacts of having so many of Melbourne's best hotel convention facilities taken out of use indefinitely due to the hotel quarantine program. So far this is just about business events, which are well worth over \$10 billion annually, so nearly 10 times the amount of the music event spend that you have heard so much about today.

And that dollar figure does not even begin to quantify any of the mental anguish that many of my clients have experienced and are still navigating. I personally have had grown men cry on the phone to me, having lost their

businesses, their homes, their futures and their motivation for life. I have also had colleagues and friends break down as they learn of yet another industry colleague who has taken their own life.

While you have heard from some production suppliers, they are a small part of the supply network that is integral to creating events. Many events will involve up to 80 different suppliers. Therefore you need to hear from a much broader cross-section of suppliers to the industry to be able to understand their real situations and their challenges. The story of Carson White from Leading Voice speaker management—submission 34—is so typical of many. Having missed out on nearly all of the government support, he ended up working behind the bar of his local pub to financially keep his business alive and his family fed.

And finally, you need to hear from the industry freelancers, our industry's very highly skilled professional service providers, and there are so many of them: the production managers, the lighting designers, the producers, the creative directors, the audio engineers and the aerial riggers. Our industry relies heavily upon these people. Many freelancers go from gig to gig, state to state, even country to country, as they are experts in what they do.

The events industry, my industry of choice, is in this current dire position because no-one has listened to the real people who actually work in our events industry. They are the ones that can advise and inform, and they can manage people and events safely. And when I say people, I mean those without a cricket bat, a tennis racket or a football. All the people who submitted their comments to this inquiry have their story and their experience that you need to hear so that you can understand the industry and the pains that so many are facing. They all represent different parts of Victoria's very large and diverse events industry, and they all took the time in good faith to make submissions to this inquiry. They all deserve to be heard, for you to just begin to understand their part in and contributions to this industry.

So, committee, please consider this. Victoria is now considered to be the most difficult state in Australia to hold events in. No longer can we claim to be the events capital of Australia. But through this inquiry and its subsequent findings, we can turn this into an opportunity. As a risk and safety consultant, I understand risk and have supported the science-based action during this global pandemic, and I continue to do so. However, the events industry has been seeking a meeting with the Department of Health since 28 May 2020, but to no avail. The COVID restrictions and public events framework are absolutely necessary, and I fully support there being clear rules. However, there has been a serious lack of real input from our industry professionals, resulting in some unworkable and impractical conditions being imposed.

As I have mentioned, Victoria is home to some of the world's best event practitioners, and their expertise must be used to support a best-practice risk and safety framework for events. From a risk and safety perspective, the industry will need updated guidance, not just for COVID safety requirements but it needs to be integrated with the diverse range of other issues, including regulations, legislation, standards and codes that are all applicable to events. The key regulatory authorities and emergency services need to work together to develop a comprehensive and coordinated framework to deliver safe events. This includes WorkSafe, the Victorian Building Authority, Energy Safe Victoria, liquor licensing, Streatrader, Victoria Police, Ambulance Victoria and various other stakeholders. The events guidance material needs to be updated, and by industry experts. Much of the events guidance material, including that of WorkSafe, was out of date pre COVID, and now more than ever it needs updating to ensure the sector has clear and integrated guidelines to deliver safe events.

Moreover, the industry needs to be recognised as a key industry in Victoria, one that encompasses sport, the arts, culture, the special events industry, exhibitions, trade shows, conferences, conventions, school fetes, charity events—the diverse range of events that our state hosts. This sector needs a dedicated, focused approach that will support the industry to get back on its feet. It needs a delegated government agency or department that will focus on building the event industry's capability and integrate the diverse range of government departments, regulatory authorities and emergency services to make it easier to host safe events. We also need them to conduct event research to ascertain both impacts and needs and to support the industry to recover from the impacts of the pandemic. This includes the immediate need for financial support and immediate consideration as to how government can support events to start up again. So, committee: this is an opportunity for you all with this inquiry to include all the facets of the diverse events industry—big, small, far and wide—so that Victorian events can fully resume, and safely, with growth and prosperity. What is done or not done over the next two months will determine the events industry for many years to come.

**The CHAIR:** Thank you, Bea. We will pass over to Damian as well. Thank you.

**Mr De JONG:** My name is Damian De Jong. I own and operate a company called Action Events. I started off in the industry when I was 21. I bought a set of sumo suits and started growing my business from there. Right now I run up to 60-odd amusement rides. I am an event supplier for a lot of events, from the Good Friday Appeal to the VRC to school fetes and festivals. The other side of my business is decorating 5-star hotels for charity events and gala dinners, from draping tables to centrepieces, chandeliers and inside decor. I have worked over 20 000 events in my career. I had a workforce of up to 60-odd casuals and 15 full-time equivalent people working for me in two totally different sides of the industry. I work indoors and I work outdoors.

On the day of COVID, 13 March last year, I had 107 amusement rides booked for that weekend. I had to let 60 staff go. All the events were cancelled except for one brave school fete which went ahead, which we were very appreciative of. I have just seen a total decimation. With my business I had to go into transport and do house removals, junk removal—all sorts of things. We were doing things that we did not want to do—we are passionate about our industry—but we had to. We had bills. JobKeeper was great. That definitely helped the staff out, but it did not pay our overheads, it did not pay our rents, it did not pay insurance companies or anything like that, so we had to front up with the money over the winter period. We lost out in the March period because of COVID, and we had already started seeing cancellations happen from early February onwards. The first one which was cancelled was the Chinese New Year Festival in Box Hill. That was the first one gone, and it just started steamrolling from there. Lockdown happened, the second lockdown happened, and we were decimated.

We would start to get a start back when it opened up and we started doing some work in schools for excursions. They could not go out so we started supplying equipment there, which was great. Then we got to the third lockdown. That was more devastating than any other lockdown. We were just getting back on the trot. We were sitting at about 15 per cent of our turnover. There was a bit of light and then all of a sudden another round of lockdowns. We lost four weeks—no work. I had geared up staff to work in that period of time. I had to let them go again, and we were back to square one. It cost us money for the lockdown. The government's \$2000 went nowhere. That is just nothing when it comes to the bigger picture of running larger operations.

I run 60-odd amusement rides I have got to service and maintain. I have got to get engineers' checks on all of those and make sure they are up-to-date or else I get in trouble with WorkSafe. So I still have to keep the business going—the servicing and all that side going—but it just makes it extremely hard. Now we do not have JobKeeper anymore. We are running into winter. It is a black zone for outdoor events, and indoor events are not happening yet. If someone wants a circus theme or a Gatsby theme, no-one is booking that type of stuff right now, so we have lost our winter trade. We lost our March trade. Then I have got to bring staff back on because we are going to have a massive capacity problem. From the survey by Save Victorian Events, 40 per cent of the event suppliers will go out of business. I am hearing constantly of businesses shutting down—not regearing back up. We have got multimillion dollars worth of equipment sitting there. We have still got to look after it. It is worth nothing now. It is worth 10 cents in the dollar, if that, and now we cannot operate until we get to September. So we are sitting in a situation. My business now is a generational business. My kids were working in there, and their futures are at risk now.

The trickle-down effect of government support is great at the top end. It helps bring events in, and I applaud doing that, but when it comes to the bottom end and the guys like me who go into events, we work all the weekends up to Christmas. We are working seven days a week to entertain everyone, to put smiles on kids' faces. We cannot do a school fete right now. We cannot get the confidence in the schools to do a school fete. We cannot do street festivals, because it has all got to be fenced off. That is the market that I work in. I cannot do that market because there is no confidence there. If you run a market, no worries. I get so frustrated when I see 80 000 people at a football match and I cannot do a school fete for 2000 people. It is madness.

The community is missing out. Australian culture is missing out. We will not be the events capital of the world. We will be at the bottom end. The other states will totally overtake Victoria. I work in a corporate market, I work in a community market, and every section I look at has been decimated. We need to open up as quickly as we can, or if we cannot open up, we need to be subsidised directly—not the trickle-down effect—so I can actually pay staff to start getting things ready for the busy season. Right now I can only operate at about a 30 per cent to 50 per cent capacity, when people say it is going to get busy in September, October, November

and so forth. I cannot run at full speed. If 40 per cent of the suppliers are down, that is only going to leave about 30 to 40 per cent of capacity in the market right now to actually survive, to do your kids' school fetes.

I have probably worked on most of your kids' school fetes. I have done thousands of them. We add to the education budget through fundraising—probably \$10 million a year that we actually give to the education department to pay for those computers and those days and buildings and so forth. We do that.

**Mr DAVIS:** The fundraising.

**Mr De JONG:** Fundraising. If you give a little bit to us, we can survive, and every dollar you spend you will get back tenfold, year in, upon year in, upon year in. You cannot start these companies. Event planning is usually six months out, so even if you open up all the borders right now and you open up every event to full capacity, it will be six months before we start seeing any form of cash flow that comes back to us. So after 20 years I have been debt free, now I have to go into debt to help the state, to put the staff on to entertain your kids and people around this state. I have to take on that risk now and do that with no future in sight, and that is only one of the problems.

The biggest problem that we have got, especially in the amusement and leisure industry, is all of our insurance companies have walked away. Right now, in Australia there is no public liability insurance—none. I have got documents here from the ombudsman's report into small business about the crisis in the insurance market. I have got other industry associations'. Right now our industry is dying at a rate of 8 per cent every single month. It started two months ago. So after the Sydney show, no amusement operators can get insurance. It is finished. So I am calling on the state to open up the same thing you did for the building surveyors: to cover the insurance for our industry so we can provide entertainment for you guys, because our insurance companies have constantly been ripping us off over a long period time. Over three years it has tripled in price. Now they are not covering things at all, and now there is no insurance coverage. The last one pulled out because Lloyd's of London that funds them is not doing amusement rides. So right now we are at a state of emergency in our industry, and people are shutting down. People are selling their houses, living in caravans right now.

**The CHAIR:** Thank you, Damian. I really appreciate you sharing your challenges. As a small business owner it sounds like you personally and your business have had a very difficult time, and I guess that is the purpose of this inquiry, to hear those and try to offer solutions. I might start with the questions, because I know a lot of people around the table and online have questions. I might start actually with asking Bea a question. Thank you for sharing the experiences of you and your clients, because obviously you work in safety and risk and so you have clients across the sector. One thing that can get confusing for some of the witnesses following online is: we are hearing constantly, 'What is and what isn't an events sector?'. We are hearing from amusements. We have heard from festivals which host events. In our travels across regional Victoria we have heard from pub owners, event hosts et cetera. We heard earlier from NW, which provides skilled expertise in lighting et cetera for events. How would you define the events sector? It seems that there is a little bit of an inconsistency in messaging, and that can get confusing. How would you define what are events and what are not events?

**Ms TOMLIN:** Interesting question. I think something that became very apparent through the government roundtable discussions that we had was, 'What is the definition of an event?', and one of the definitions of an event in the restricted activity directions is not what we determine an event. I will use the example of one of my clients. They do what we call activations in shopping centres or in an actual department store. They are called events. They use event organisers and event planning companies to set that up, but technically under the RADs, the restricted activity directions, it falls under the shop's normal operating business. So that is again where there are some nuances, and the industry is very complex and diverse. There are so many facets of it.

**The CHAIR:** How would you define it, though? It is easy to say it is diverse. We have come across that ourselves. We are hearing everyone saying, 'Yes, I'm hosting an event', and the other person saying, 'No, that's not an event; that's a business event, that's a sporting event'. So what is a definition that we could use or you would recommend for the committee to take on board?

**Ms TOMLIN:** I think that is where we need to be having more discussions with the different facets about what it is, because everybody has got a different opinion. You will have heard from all the different

associations and the different bodies that are representing the industry, but as I say, there are so many facets and there is not one clear definition of what events are.

**Mr De JONG:** It is a gathering of people. It is bringing people together.

**The CHAIR:** Damian, you define it as a gathering of people?

**Mr De JONG:** It is a gathering of people. It is all sorts of people. A market is an event. A school fete is an event. A bonfire for Guy Fawkes Day is an event. A sporting event—there are multiple forms of events.

**The CHAIR:** I appreciate that. I might now hand over to Mrs McArthur then Mr Quilty to go in that order.

**Mrs McARTHUR:** Thank you, Chair, and thank you for your extraordinarily erudite presentation, Bea, and for your most heartfelt and emotional presentation, Damian. We totally feel for you and understand the dilemma, and I think we have all learned a lot, especially, as the Chair says, about the definition of events and how you actually seem to have slipped through the cracks of being recognised by anybody, especially government, who have failed to appreciate the enormous contribution you make to the economy. So I think the Chair is right: we need to ascertain exactly how we can ensure that, going forward, you are not slipping through the cracks any longer, that you are an industry, no matter how diverse or multiplicity-activated it is, that we can ensure that you are assisted and promoted as a significant industry. It seems that the government has been able to work out that Melbourne Convention Bureau, Visit Victoria and Regional Tourism Boards are somehow important and needed assistance to get through this period, but the event industry, especially the business events industry, are receiving nothing. So I think that needs to be accommodated. But I am particularly taken by the fact that May 2020 was the last time that somebody spoke to you from the government—

**Ms TOMLIN:** No, from the Department of Health.

**Mrs McARTHUR:** From the department.

**Ms TOMLIN:** Yes.

**Mrs McARTHUR:** So that was the last time you spoke—

**Ms TOMLIN:** No, we have never spoken to them.

**Mrs McARTHUR:** You have never spoken to them.

**Ms TOMLIN:** No.

**Mrs McARTHUR:** That is when you asked for it. You been trying since then. So nobody from a department or the government, the ministry—

**Ms TOMLIN:** We had to go through the Department of Jobs, Precincts and Regions. So all conversations with the government roundtable discussions for the industry have all gone through DJPR. We have requested, ‘Can we speak to someone in health?’, because there are so many things with the risk and the safety side of it that we already do every day in events. The joke is almost that for a conference or a business event we pretty much know the size of people’s shoes, because we get so much information prior to. So when we were being told that you had to do conferences outside and just get some portaloos in, we were like, ‘Can we speak to the health department?’.

**Mrs McARTHUR:** Yes. Speak to somebody.

**Ms TOMLIN:** Yes. We need—

**Mrs McARTHUR:** I mean, I think we were told earlier on that in actual fact your industry would have been the one that should have been engaged by the Department of Jobs, Precincts and whoever they are to run hotel quarantine. We might all have not been in the situation we are in. You are in the risk business every day. That is the main part of your industry. So the insurance aspect seems to be extraordinary, and we have heard that from many people. It seems that we are going to have to get to a situation where the government underwrite the deposits of your industry, going forward, to an event. Would that help?

**Mr De JONG:** Well, no. There are two parts. There is making sure the events can happen, and you would need that insurance in play. But for us to work on any council land, any public land, any private land we need public liability insurance. So right now—

**Mrs McARTHUR:** Yes, the two aspects.

**Mr De JONG:** Yes, there are two aspects. So, yes, we need our industry to be covered by a cancellation insurance. That is a definite. On the other side, it is a trickle-down effect of the insurance industry. It started off about a year and a half ago. Major rides could not get insurance. These are the class 5 and class 4 rides. Over COVID Lloyd's of London has pulled out of the market. They are the main underwriters. You can go to millions of brokers, but it is the underwriters. Now there was one left; he upped his prices by three times. I managed to get insurance, just. Last year during COVID I had to pay all my public liability insurance—no discounts, no nothing. I had to pay it. If I did not pay it, they would not give me insurance. So I knew the market was tough. 'Okay, I'll pay my every monthly fee'. I had to find it. I had to do removals work. I had to do that just to pay the insurance company. Then it got to the last month: 'Okay, I want to sort out my insurance'; 'Oh, we've pulled out'. So I paid all that money for them to pull out for absolutely nothing. I mean, half my income went to public liability. Now I go looking again this year. I managed to secure it with 5 minutes to spare before my policy ran out. I was just about to pull the pin and say, 'No gigs; can't do it'. And this is on top of COVID.

Now I come to a situation where the last guy pulled out six weeks ago, and most of the larger amusement operators make money up at Sydney show and then they buy their insurance. That cancelled two days before Sydney show ended, so they have not got insurance. So every month right now 8 per cent of the leisure industry, which covers theme parks, indoor play centres—

You cannot get insurance for a jumping castle; you cannot put a jumping castle in a backyard right now. There is only a very small selection of operators who are going to be left when it gets to October, November. We cannot handle that capacity. I am right until the end of March, but I do not see a future beyond that in my amusement division. I just cannot. If the government does not do something like the builder-surveyors—the state government is covering that right now—that is what we need to survive. But there will not be street festivals. There will not be rides at the Good Friday Appeal. There will not be the Moomba Festival or all the festivals which happen in Australia right now. You will find the theme parks will start closing down and so forth. So it is going to get worse, and it is getting worse by 8 per cent every month. So this inquiry happens over three months—you have lost 25 per cent. A lot of the travelling showmen have evacuated out of Victoria. They are not coming back here until they know that a lockdown is not going to happen and they will get stuck here. They were living in caravan parks down at Geelong in the showgrounds. They had nowhere to go. Or Phillip Island—they had nowhere to go. And they slipped through the cracks; they did not get funding.

**The CHAIR:** Thank you. I might pass over to Mr Quilty and then Mr Gepp, that have been patiently waiting online. So, Mr Quilty, over to you.

**Mr QUILTY:** You talked about using the event industry risk evaluation skills to set the safety rules. So how would that work? Would you actually go and work with the Department of Health to design safety rules for each event? Can you elaborate on that point for me?

**Ms TOMLIN:** I think it is more of a case of the Department of Health understanding part of all the different facets of events and how we can actually deliver events safely, because risk management has been part of the events industry for so long. So it is having that opportunity to have those discussions. Because, as I say, being told, 'Oh, you just have to do a conference outside and bring in some portaloos' is not constructive, because I would not want to use a portaloos over a venue toilet any day. So it was just a lot of contradictions that we were hearing. That is why we wanted the opportunity to talk to—

**Mr De JONG:** Someone.

**Ms TOMLIN:** It is the science of it. We wanted to know what exactly it was.

**Mrs McARTHUR:** The science—we have all been interested in that.

**Ms TOMLIN:** So, you know, everyone was talking that it was contact surfaces. Now it is airborne, but it is still not being officially acknowledged federally about that. So in terms of how we work together, it is having that opportunity to have these discussions openly rather than just being told, 'Nope, you can't do it'.

**Mr QUILTY:** So how could you do that going forward from now, if somebody made themselves available? How would that work?

**Ms TOMLIN:** We need to continue what we had with the roundtable discussions, to have these conversations. It was going well with the roundtable discussions, and so many parts of the industry were working together through these discussions, but we kept getting railroaded by the Department of Jobs, Precincts and Regions that we could not move forward, to the point that the communication just seems to have broken down. Take, for example, the event framework: it actually got changed last week. No-one told us. It is like we have to sit there every day just pressing refresh to see if any changes have been made. The communication is not coming out through the departments.

Even look at the QR code. It was set that you could have the different QR codes that often have been helping the events industry through their registration process. I think, like, nine of the different QR code systems had been approved. And then the other week—and I only read about it on a Facebook social group—it had been turned around again and you have to use Service Vic to register. So again, it is just inconsistencies, and the opportunity to have those conversations with the people that are making the decisions, not the gatekeepers.

**The CHAIR:** Thank you, Mr Quilty. I might pass over to Mr Gepp.

**Mr GEPP:** Thank you. Thanks for being with us today, Bea and Damian. A couple of questions for you both. I will not do the 5-minute preamble. Can I ask what financial support your organisations, your businesses, have received during COVID? That is question number one. Question number two: you both talked about governments underwriting insurance; what would be the cost of that scheme?

**Ms TOMLIN:** I will answer the second one. You answer the first one.

**Mr De JONG:** Okay. Can you redo the first question? Sorry.

**The CHAIR:** The first part, please, Mark.

**Mr GEPP:** I am interested from both of you what financial support you have received during COVID. And then the insurance underwriting.

**Mr De JONG:** Okay, so I received JobKeeper. We got that. We got the cash flow boost, which was fantastic. We got the first round of subsidies. Because we pay payroll tax, we got 30 per cent of that. We got the second \$10 000 and then we got the second \$15 000. So I received about \$30 000 or \$35 000 from the state, and then I received the JobKeeper. All of that went into paying overheads and just to stay alive and to keep staff intact. We have only got 45 per cent of JobKeeper staff still left. They have left over a period of time. For the future, we need to be able to follow the Tasmanian model. They turn over \$1.5 million. They were given back in September last year \$100 000 to stay alive. My business is higher than that, and I need a fair bit to stay alive and to get recommissioned for the busy season or I cannot run at capacity. I am at a point that I just physically cannot be everywhere at once, trying to do everything. I am already doing three jobs in my own business right now, juggling three positions, because I cannot afford to put staff on at this point because I have no cash flow. I cannot run insolvently; it is illegal for me to do that. So I have to start dipping into house mortgages to fund my business. But I do not see a future. If I have got no insurance, I might as well pack up shop now. But I am a survivor; I have been doing it a long time. I survived the GFC, I survived HIH when that went bust and I will survive this. But what future am I giving my kids at this point to go on in the future, because right now we do not know what is going to happen. So we need direct funding to get reorganised for the future. I am not talking \$10 000; I am talking hundreds of thousands of dollars to keep us all going.

**Mr GEPP:** For how many businesses?

**Mr De JONG:** Throughout Victoria? I think on the save events survey there were 6000 businesses. The state government was saying they gave \$58 million. When you calculate that out, every events business got less than \$10 000. That is it—\$10 000. We are 23 per cent of the economy and we get \$10 000 each. We are the

first ones to close. We closed—bang. I had stuff out at the showgrounds. Guys had just finished setting up and the announcement came, ‘Pack it all up and go home’. We will not get going until September. We have had a few. I am talking: we are running at about 5 to 10 per cent up to now. Winter is going to hit. I will probably be lucky to get to 20 per cent by the time I get to September. But then I have got to go back to 100 per cent—physically impossible. You cannot just turn these businesses on and off. They have been built up over a long period of time with a lot of experience and a lot of crew who know what they are doing with that piece of equipment. I would be negligent to go out and run equipment if I have not got them completely trained. I cannot put them on because there is no cash flow to put them on.

**Mr GEPP:** What would be the cost of the insurance you are proposing that the state government underwrite?

**Mr De JONG:** Five million dollars will get a mutual fund up right now through Aon, through our industry body, and that would set the basis up that we could control our own insurance to run the same as councils and McDonald’s and all those large organisations that have a self-managed mutual fund that the industry underwrites. But we need \$5 million to do that.

**Mr GEPP:** So \$5 million would underwrite for the entire events sector in Victoria?

**Mr De JONG:** No, this is just the amusements. This is just to get the amusements sector going, and that is the crisis—

**Mr GEPP:** What about the total, if that is just for amusements?

**Ms TOMLIN:** I will take that.

**The CHAIR:** We will pass to Bea.

**Ms TOMLIN:** What we are recommending is basically look at probably a scheme of 1 per cent of the event budget as the premium in return for a cover against COVID risks. It is very similar to what is in place for the building surveyors, where I think it is through the Victorian Managed Insurance Authority as the insurer. That is what we are suggesting. It means that if an event has to be cancelled because of an exposure site, hotspot, red zone or lockdown, then the event organiser is not taking that entire risk when they have already paid out their suppliers, because they have to pay deposits. It is not like they just wait until all the money comes in, they have to pay as they go. So that is why—we have got the cancellation insurance if the government decides to stop that event from happening, through no fault of their own.

**Mr GEPP:** And have you been able to quantify that 1 per cent? And does that include Damian’s business?

**Ms TOMLIN:** No.

**Mr De JONG:** No.

**Mr GEPP:** So it does include Damian’s business?

**Mr De JONG:** No. Two separate issues.

**Mr GEPP:** So he is not part of the events sector?

**Mr De JONG:** No, I am—

**Ms TOMLIN:** Yes. No, he is.

**Mr De JONG:** but not that part of the insurance.

**Mr GEPP:** He is, but he is not?

**Ms TOMLIN:** No, what Damian is talking about is that he is needing support for the public liability because they cannot operate without public liability.

**Mr GEPP:** So there are two schemes being proposed?

**Mr De JONG:** Yes.

**Mr GEPP:** Right. Is it just those two schemes or is it more than that?

**Mr De JONG:** No, just those two.

**Mr GEPP:** So we would not get another one from the live music people?

**Mr De JONG:** I do not know. I am not from that sector.

**Mr GEPP:** We might, okay.

**The CHAIR:** Thank you for that.

**Mr GEPP:** And Bea, did your business receive any financial support during COVID?

**Mr DAVIS:** I think we are on the ninth question now, are we?

**Mr GEPP:** No, it is the same question, David. It is the same question. You are not listening, David.

**Mr DAVIS:** I listened carefully. I have listened very carefully.

**Ms TOMLIN:** I was lucky eventually to get some money. I was eventually able to get some money, but the first round I was not able to because of the structure of my business. My structure has subsequently had to change. And I ironically had a phone call this morning from Business Victoria so that I can try and reapply for the original grants. Thanks to Deborah Glass—her inquiry has allowed that to be reopened back up to people like me.

**The CHAIR:** Excellent. Thank you very much, Bea. Thank you, Damian. I might pass to Ms Lovell and then Mr Barton and Mr Davis and Mr Tarlamis. Hopefully we will be able to fit everybody in.

**Ms LOVELL:** Damian, I am just really interested in the rides sector and this problem with the public liability because obviously that is going to mean we have no agricultural shows or anything going forward. You said Lloyd's of London have pulled out, so is it an international problem now?

**Mr De JONG:** Well, London got hit by COVID, so Lloyd's have to work offsite. Lloyd's is not running efficiently. Last year the shareholders of Lloyd's had to dip in. Because they dipped in, they go to the bottom part of their book—they call it a book—and they knocked out the bottom 20 per cent. Unfortunately amusements are in that bottom 20 per cent. So Lloyd's of London just turned around and they had 80 per cent of the market and just said, 'We're not doing it anymore', so no-one could write up the policy. As those policies ran out through the underwriters, they started not renewing insurance. Then everyone shifted to another guy, and he started running out, and then to another guy. And then it got to the last guy, which was Pen Underwriting. He was supposed to go through to June, but he got so overwhelmed they hiked their prices and then said, 'The book's full', because they only have a certain amount. Then it started: they did not want major rides, they did not want ice-skating rinks, they did not want bucking bulls, mechanical surfboards, sumo suits—all those got restricted. Then the excesses all doubled, so instead of the \$5000 excess they all went to \$10 000 excesses. Insurance has just kept on going up, and the risk is getting less and less, and now there is no-one around who is doing jumping castles or the major rides. People are losing their houses right now. They are not cheap products. A major ride is \$500 000 to \$600 000. They are still paying mortgages on the rides. One show family lost their house, got a ride, a brand-spanking-new ride that came in a month before COVID. It has never operated.

**Ms LOVELL:** So there is a serious market failure?

**Mr De JONG:** Total market failure. And I have got the Ombudsman's report here that you can read that was presented to the federal government back in December. Nothing has happened. Because everything has been on COVID, this has just gone underneath the radar.

**Ms LOVELL:** So the only way out of this you can see is for a government to underwrite it?

**Mr De JONG:** It has to be. And the report actually says that. The report has got it in there, saying, 'This is what's got to happen'.

**Mr DAVIS:** Can we have a copy of that?

**Mr De JONG:** Yes. I have got it here.

**Mr DAVIS:** Thank you. That would be helpful.

**Mr De JONG:** I have printed it out. And I have also got the association's overview of the industry right now, so you have got that, and also the Insurance Council of Australia's response as well.

**The CHAIR:** Thank you. I might pass to Mr Barton and then Mr Davis.

**Mr BARTON:** Thank you, Chair. I will just ask the one question about the round table. I have a lot experience dealing with regulators and bureaucrats at an industry level. Why not have the round table, and why did they say that you cannot have any meetings?

**Ms TOMLIN:** Well, they just said that we had to go through the Department of Jobs, Precincts and Regions. They were the gatekeeper. They were having conversations with the Department of Health, but the industry was not given the opportunity to have those discussions.

**Mr BARTON:** Did you attempt to speak to the minister, and did you speak to minister?

**Ms TOMLIN:** Me personally, no, but I know Save Victorian Events as a union has, very much so.

**Mr BARTON:** I think one of the problems we are seeing perhaps is that there are so many people that say they are the voice of this industry, and it has just become a noise—

**Ms TOMLIN:** I agree.

**Mr BARTON:** and the industry has sort of got to get a little bit more focused and work together there.

**The CHAIR:** Thank you, Mr Barton. Mr Davis and then Mr Tarlamis.

**Mr DAVIS:** Well, I will just make one comment about that. It is not the industry's fault, and I do not want to blame the people who have suffered, but I want to thank you both for your submissions today. They are very thoughtful and detailed and there are some very clear ways forward. I think we have said enough about the health side of it. They should meet with you immediately, in my humble view, and they should hear the details of your sector and understand it. I want to ask you one question about health though. Have you ever seen the background information that has informed those orders that you referred to earlier? Have you seen the material on which those orders were based?

**Ms TOMLIN:** No. I only get to see and read the RADs, which are available on the website—

**Mr DAVIS:** Should those assessments be public?

**Ms TOMLIN:** I am no expert to say whether they should or they should not, but as I say, I suppose the frustration is we do not know how they are actually coming to that decision—

**Mr DAVIS:** Or shared with the sector?

**Ms TOMLIN:** so that we can obviously discuss how we could potentially mitigate those issues that they have got concerns about. We are just not having the opportunity to discuss that. And with our industry, yes, there are very many different associations, because no-one can agree on the definition of an event. You know, exhibitions, you have got conferences, festivals. I agree. But because everyone I think has just got so mixed, that is where I think if there is the opportunity, that if there is actually a government department that can look after this, then we can actually be really focused and assist all of the facets so that everybody can be assisted, so that there is not just noise and so we can all come together. Because we actually all work together on the events but, as I say, there are just the different associations that are barracking for theirs, and a lot of associations are only for the larger events. I am a single, sole trader, even though I cannot use that because then I would not get

any funds from the government. I do not have the money to pay to be a member. I do not have thousands of dollars to become a member. So that is why with Save Victorian Events we wanted to have the people who are family-orientated businesses, sole traders, to be able to speak as an industry.

**The CHAIR:** To have a voice.

**Ms TOMLIN:** Yes.

**Mr DAVIS:** Just to conclude, I just want to understand the possible fund or the support of government. I will put it on record: I see this as a classic market failure where government should step in. Could the Victorian Managed Insurance Authority play that role?

**Mr De JONG:** Definitely.

**Ms TOMLIN:** Definitely.

**Mr De JONG:** It already is for the building surveyors. Why cannot it do it for the events industry?

**Mr DAVIS:** And adventure tourism.

**Mr De JONG:** Yes. It is already doing it, and if we do not look after our sector, Australian culture is going to disappear. We make kids active. We get kids out of looking at their phones all of the time. We are the ones getting them entertained away from technology. We are putting them back to grassroots. That is what we do. We put smiles on people's faces. Those smiles will disappear. When we do a carnival now, for example, we are getting good attendance, but if we cannot run them, we are all gone. So it has really got to open. The Melbourne show will look totally different. It may not have the rides up in the sky. That may not happen. You might end up with some kids rides, but it may not have the big rides there. Rye carnival may not happen.

**Mr DAVIS:** Will the animals be allowed at the show?

**Mr De JONG:** I do not know. It is not my domain. But I can tell you that I do corporate functions quite regularly, and I am entertaining a lot of people. But if I am forced out of business, I would feel very frustrated after 30 years of blood, sweat and tears in our industry—bringing up my kids, missing weekends, not getting to my kids' sports and all of that—because I have been working out there, and then it comes to this. I survived COVID, but the insurance crisis—it is just phenomenal. And people do not see it. Why does it take a person like me to organise a protest around Parliament House to get some voice happening about the events industry? Why does that need to happen? You guys should be informed. The government should be on top of it and should listen to us as much as possible. The industry association should be out there pushing as much as possible. It should not take me as an individual business owner to organise that just to get a bit of attention from you guys.

**Mr DAVIS:** Has Minister Pakula or Minister Pulford met with you?

**Mr De JONG:** No-one wants to talk to us. We are underneath the radar. We are not high profile; we are the nuts and bolts. We are the grunt people.

**Mrs McARTHUR:** You are not the AFL.

**Ms TOMLIN:** I was going to say, we—

**The CHAIR:** Thank you, Damian. Thank you, Bea. Thank you, committee members. I am just aware that our other witnesses are actually online and waiting to appear, but I think both of you, especially because you are directly in the events sector, in amusements and safety and risk, have given us a different perspective. It has given us a broad range of how different the events sector can be. We have taken away, obviously, a lot of stuff for us as a committee to consider about: should the government underwrite COVID cancellation insurance; should it underwrite public liability; should they give hundreds of thousands in direct financial support to each affected business. It is a lot to take away as a committee, and we will go over the transcripts again, because a lot came out. If we have got any further questions, would you both be open to us contacting you directly?

**Ms TOMLIN:** Yes, totally. Yes, of course.

**The CHAIR:** Because I know a lot of the committee members have definitely found your evidence quite informative.

**Mr De JONG:** And I have got some documentation here for you all. I have brought eight copies.

**The CHAIR:** On that note, thank you, Damian; thank you, Bea. Thank you for coming along today. Our committee will now go into a short break before the next witness.

**Witnesses withdrew.**