

TRANSCRIPT

LEGISLATIVE COUNCIL ECONOMY AND INFRASTRUCTURE COMMITTEE

Inquiry into the Impact of the COVID-19 Pandemic on the Tourism and Events Sectors

Melbourne—Wednesday, 2 June 2021

(via videoconference)

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

WITNESS

Mrs Susan Ryman-Kiernan, Managing Director, Wise Connections.

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, and I pay my respects to their elders past, present and emerging.

My name is Enver Erdogan, and I am Chair of the committee. I would like to introduce my fellow committee members: Mr Lee Tarlamis, Mr David Davis, Mr Andy Meddick, Ms Wendy Lovell, Mr Mark Gepp, Mr Tim Quilty, Mr Rod Barton, Mrs Beverley McArthur and Dr Catherine Cumming. We have a large line-up of committee members present today.

To witnesses: all evidence taken at this hearing is protected by parliamentary privilege as provided by the *Constitution Act 1975* and further subject to the provisions of the Legislative Council standing orders. Therefore the information you provide during the 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 the hearing. Transcripts will ultimately be made public on the committee's 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 and questions. Could you please start by stating your name for Hansard and then begin your presentation. Over to you, Susan.

Mrs RYMAN-KIERNAN: Good morning. My name is Sue Ryman-Kiernan. I am the Managing Director of Wise Connections. Established in 1998, we are an award-winning Victorian conference and event management business. We are part of the business events industry, and as an industry we are the people behind just about every event you have been to, be it a TED talk, an industry association conference or even a political party conference. We coordinate the presenters, the staging, the lighting, entertainment, branding, catering—the lot. We bring together dozens and dozens of people to deliver the events that our community values.

At Wise Connections we specialise in business events, working with corporate and association not-for-profit clients across a wide range of industry sectors, including government, construction, education, intelligence, banking, medical and legal. Whether the events are large or small, whether they are A to B or B to C, they all drive growth for our clients and for the economy. The portfolio of events we manage includes conferences, seminars, business summits, exhibitions and large-scale awards.

These had been in-person events, but in March 2020 our business world turned on its head when the magnitude of the global pandemic started to be felt in Australia. Within the space of two weeks every single event we had on our books was cancelled or postponed. On 13 March we were on site managing an event, and in the subsequent 15 months we have had no face-to-face events at all. In fact many of the events that were initially pushed from 2020 to 2021 have now been pushed back further to 2022.

In order to survive, at Wise Connections we reduced the hours of everyone down to three days a week for much of the year, for much of 2020. This would not have shown up in the unemployment figures, but our team were underemployed and some were struggling financially. We worked with many clients to move their events online so they could continue engagement with their business communities. The small amounts of income we earned from this, coupled with JobKeeper and the Victorian business grants, meant we survived, but many of our industry colleagues have not been quite so fortunate.

June 2021 was looking hopeful with the return of face-to-face events imminent. As a Victorian business we manage events all over Australia, and this month our team was due to be delivering a series of events across the country. With the lockdown in Victoria and the lockout from other states, these events are now in danger. Last Wednesday and Thursday we basically spent working out how we could ensure the events still occurred

without us on site to manage them, and we are very fortunate that our clients trust us enough to make new plans which involve us working remotely. It is a brave new world. Last Friday a major B2C exhibition scheduled for July that we have been working on for more than 12 months was postponed as nervous exhibitors started to pull out. This not only impacts Wise Connections but also our not-for-profit client, the venue, the exhibition company, the AV company, the caterers, the logistics company, the security company and so on and so on, and of course this in turn impacts the people who work in these businesses.

This is not just about Wise Connections. I am here to represent the broader industry. The Victorian business event industry has been devastated by the COVID crisis. As conference and event managers we generally spend 12 to 18 months working on planning events, organising marketing, ticketing, education programs, logistics and so on and so on, so when we must suddenly cancel an event that has been months in the planning it is not simple. We must unravel a web of contracts and plans and then, if we are lucky, try and put it back together again. Many businesses and many lives are impacted.

Since March 2020 we have spent thousands of unbillable hours cancelling, rebooking, planning, rebudgeting, changing plans, only to have them change again and again. The stress of this on the team coupled with the uncertainty of what the next days, weeks, months will hold is sometimes crippling, and we are getting through it by supporting each other. This type of support is also what is keeping the Victorian event industry alive. We are a close network of professionals who have been providing advice and support to each other. Sometimes it has been an ear to listen to, while other times it has been much-needed advice on where to turn for information.

Pre COVID the Victorian business event industry consisted of 120 000 events. We were 10 times the size of the Victorian music festival industry and 10 times the size of the Victorian major events industry. We are not insignificant. The events we manage in Victoria are collectively worth \$12 billion or about one-third of the national \$37 billion industry. There is a growing understanding that the event industry is not part of the tourism industry. Wise Connections and our business event industry colleagues do not organise visits to the penguins or tours to the Great Ocean Road. We keep businesses connected with their customers and other stakeholders and drive growth and therefore drive the economy.

Victoria prides itself on being the premier events state, but we have been slammed. There are several issues. The crisis has led to the loss of skilled people and therefore some capacity and capability to manage complex events. Today we are no longer as attractive for business events as the financial risks are just too great for many companies and many not-for-profit organisations. The Australian business event sector is highly competitive and Victoria has a terrific track record, but today we are not well placed. The hesitancy we have seen in vaccination take-up is starting to play out in business willingness to stage events in Victoria.

So what will it take us to get back on our feet? We need to build confidence that events can happen. We need a dedicated events Victorian task force who can develop clear event guidelines and clarity of what the rules for business events are. What are the capacities for different types of events? Can we serve alcohol? Can people dance? There is a muddle around what can be done and what cannot be done. The task force also needs to develop a comprehensive communications strategy focused on delivering the message across the state and nationwide that Victoria is open for events. We need cancellation insurance which is self-funded and sustainable, and as an industry we need direct financial support targeted at those who are doing it tough—those businesses who cannot operate in a lockdown environment, who have significantly reduced income and who may not survive for many more weeks or months.

This is important to me. I want Wise Connections to survive, my team to have jobs and our suppliers and industry colleagues to be successful, but at the moment it is hard to see how we can keep going under our own steam. And this is important to Victoria—we need support to get this industry back on its feet, driving economic growth in Victoria. Thank you for taking the time to listen to me.

The CHAIR: Sue, that was a pleasure to hear from you and Wise Connections, especially on the unique impact on your business but also the whole Victorian events sector. I might just create a speaking list, because we have 10 committee members present today. I might start with Ms Lovell, then Mr Quilty and then Mr Gepp in that order. One question, please, and if we get an opportunity, we will come back to ask a second question.

Ms LOVELL: Thanks very much. And thanks very much for your presentation, Susan. Susan, what is needed from the state government to give you the confidence to continue on, to give you the confidence to start

planning an event? If it is cancelled at the last minute, obviously you lose huge amounts of money. So what would be needed to give you the confidence to go back into full swing and start planning future events?

Mrs RYMAN-KIERNAN: It is really about building business in the business community—that is what it is about. We keep planning, we keep moving and we keep changing; it is the business community who are lacking that confidence and are considering holding events in other places. I think the number one from that perspective is event cancellation—COVID cancellation—insurance. We cannot get cancellation insurance any other way. Many venues—I would say almost all venues—are being really reasonable about moving bookings and not charging cancellation fees, but there are still huge costs to be borne when an event cancels. I was having these conversations with a client yesterday about what the cost would be, and just the cost to them was horrifying, that so much was at stake. So if there was some sort of insurance which organisations, whether it be event managers or the end clients, pay into a percentage that is underwritten, that would help to give people confidence that if they do need to cancel their event then, they are not going to lose a lot of money. That to me would be the number one factor.

Ms LOVELL: Thank you very much.

The CHAIR: I might pass over to Mr Quilty to ask a question.

Mr QUILTY: Thanks. How do your clients view holding events in Victoria as compared to other states, and what differences are you noticing organising events in other states as opposed to Victoria?

Mrs RYMAN-KIERNAN: I will start by just touching on COVID-safe plans, which are a huge part of our work and something we have never had to deal with before. The level of complexity, I guess, in Victoria for running events is more extensive than in other states, and that is partly because we have been locked down and we have had more cases here than many other places. What I am finding is that clients are just nervous about events running. We have got events on our books across the country. Many of them are multistate events, so we are dealing with one client across the country, and we are getting inquiries from them and their stakeholders, whether it be sponsors or actual participants—I have had half a dozen this morning—going, ‘Well, what about this event in Victoria? Is it going to go ahead?’. And all of that just trickles down into uncertainty about: should we go ahead? Should we move it back, or should we actually just go online? I think going online—I mean, we are doing this online—is not ideal, and I think what we are hearing from our clients but also the end attendees is people want to be back face to face. And everybody—not just us, but the clients—is holding onto that. They really want to do it; the appetite is there to do it. But we have got to get through the fear factor of: what if we are cancelled? I have not seen any fear. I have not spoken to anybody about, ‘Oh, what if we go to events and there’s COVID there?’. I think certainly the clients we are dealing with talking about the COVID-safe plans—which are pages and pages of what we do if, what we are doing to keep people safe—seem to be quite comfortable with that. It is just the prospect of cancelling. Does that answer your question?

Mr QUILTY: Yes, it does.

The CHAIR: Thank you very much. I might pass over to Mr Gepp and then go to Mr Davis.

Mr GEPP: Thanks, Chair. Thanks, Sue, for being with us today. You spoke in your introduction about—and I will paraphrase it—a growing acceptance that lumping the tourism and events sectors together is no longer appropriate. What is your view about how we uncouple those two things, because both sectors are often seen as joined at the hip, and how would that uncoupling assist governments and the events sector in terms of your uniqueness, particularly in this global pandemic environment?

Mrs RYMAN-KIERNAN: I understand why they are coupled together, looking from the outside in. We deal with people travelling, we deal with accommodation, we deal with people eating. That is about where it finishes. I think that how you uncouple it is you just need some clarity on what the different sectors do and what their purpose is really. Is the purpose relaxation, travelling, holidays, or is it business? I started as a tour operator way back when so I came from that world, if you like. But the world we live in is about business, it is about business getting together. Whether it be associations who could be reaching out to their stakeholders or they are working with their stakeholders to work through COVID, whether it is businesses trying to talk to their clients or their salespeople, it is all about business. Driving business through those organisations but also in the broader economy driving business, that to me is how I would look at kind of splitting them: is it vacation or is it business? That is sort of super simplified.

I think where it would help us is that, as I touched on, it takes months and months and months of planning for events, partly from a client perspective, they have got to work out what is the purpose of the event they are having, why are they holding it, and then that trickles down through all the bookings and the logistics. In this COVID world we cannot just switch on and off again. Again, as I touched on, the work to undo an event is not just, 'Oh, I'm sorry, we need to cancel the venue', it is cancelling the venue, going back to all the sponsors, going back to all the people who have booked tickets—all the people I mentioned earlier—unravelling it and then seeing if we can pull it back together again. It is so complex that I think if it can be seen and people understand the time that it takes to put these events together—

I mean, we understand. We are in the background. I and many of my industry colleagues are running around in black clothes. You do not see us. That is the whole point: you are not meant to see us. But to stop and then get moving again to put all the plans in place takes longer than it does, I believe, in the tourism industry, and no disrespect to them. I believe they are just different—very different.

The CHAIR: Thank you for that. Mr Davis.

Mr DAVIS: Can I thank you, Susan, for your presentation and note a number of points that you made, and I want to ask you a question or two about those. One is you obviously work across different states and you make the point that Victoria had traditionally about \$12 billion of the \$37 billion national events economy if I can describe it that way. So that is a very significant share. Some have called Melbourne and Victoria the events capitals of the nation. Are we at risk of losing that in a significant economic and beyond that position of significance in the events economy in that way?

Mrs RYMAN-KIERNAN: Absolutely we are. If it becomes too risky and clients are too risk averse to holding events—and not all just business events; I mean, there are the whole major events. Everybody knows about those, and their moving around causes people to jump with joy, when events have been taken out of Victoria, because they have grabbed them from us. But just looking from a business perspective, if your decision is, 'Do I hold it in Victoria or do I hold it'—and I am not going to name any other states—'in another state?', sometimes the decision is easier to do that. I think that that, combined with the loss of skills in this industry, particularly in the AV tech side of the world here—we have lost a lot of people who have worked for many, many years as freelancers who are fantastic at what they do. They travel around the country, they travel around the world. If they are not here to help us run all these events, we are going to struggle. So again it is very multilayered, but absolutely we are at risk. The events will go. They will go north, they will go east and—

Mr DAVIS: And we will lose some of those remarkable people with their skill sets.

Mrs RYMAN-KIERNAN: We have already lost them. We have already lost many. As I say, particularly in the tech and AV side of the industry a lot of the workforce is casual, by their choice. They do get to do work for lots of different people, lots of different events, but they have just disappeared. Their work has disappeared. They were not caught by JobKeeper so therefore they were left on their own, and many of them have gone off to work in other areas. To be honest, with the hours and the stress that we put up with—willingly; we love our industry—many of them have stepped away and kind of gone, 'Mmm, 9 to 5. That sounds nice. I think I might just stay here'. So we are absolutely at risk if we cannot start to bed something down where there is a bit more certainty about events actually taking place.

The CHAIR: Thank you for that—very informative in relation to the events sector more broadly. Mr Barton has a question, and then I will go to Dr Cumming.

Mr BARTON: Sorry, Chair. Thanks, Susan. I have just got some news coming through of an extension for another seven days. No-one wanted to hear that, but that is what we have got. Earlier today I just got the tail end of some advice that the federal Treasury has given the federal government. They are expecting we can expect three weeks of lockdowns every quarter for the next 12 months. That is what they are telling the feds. I am also hoping they are telling the feds they have got to put their hand in their pocket and support those states which are struggling as well. I just want to talk about vaccinations, about confidence and how that would impact the events industry. I am not in the government; contrary to people's belief, I am not. But do you think it would help people's confidence—and I certainly hope it would help their confidence—in the government to run things if we had a much higher level of vaccination? We have certainly seen comments from Qantas, for instance—'If you want to fly on Qantas, you are going to have to be vaccinated', and the cruise industry is heading in that direction. Should the events industry think about that, maybe? I do not know.

Mrs RYMAN-KIERNAN: Well, I have already had my first vaccination, so that is where I stand on it. Absolutely I think that a faster rollout of vaccinations across the country is really what will help us get moving again, because I think that will reduce the fear that people have. And I think we have seen that. I mean, in Victoria I do not have the numbers but the number of people going to get vaccinated has just—it is an upward cycle. I think there is fear out there as to—'Oh, what if? What if?'. If we can get vaccinations around the country rolled out, I think that will help. Whether we mandate, I do not know if that is—I mean, all my team I can pretty well say would all happily get vaccinated if it meant we could keep working. I am not sure about mandating vaccinations. That is a whole—that is a very contentious issue. I am not a politician obviously. No, absolutely it would, because we know that COVID is not going to go away in a hurry. What is happening around the rest of the world has proven that fact. You know, if we have people coming into the country, people will bring it in, and we need to reduce the risk of people getting very sick and going to hospital. And I think that whole reducing the risk and people going, 'Okay, we know it's here; it's in the community, but we're actually safe', I think will help events get back.

Mr BARTON: Yes. 20 000 people were vaccinated yesterday—a good lot for Victoria. Well done.

The CHAIR: Thank you very much. Dr Cumming, then Mr Tarlamis.

Dr CUMMING: Thank you, Chair, and thank you, Susan, for your presentation as well as for the questions that you have answered thus far. My question to you is this: do you believe a lot of the events could have still gone ahead with COVID-safe plans and guidelines and that you could have actually kept your staff and the public safe? And do you believe that more people need to be taught, say, aseptic techniques so they actually understand the cross-contamination and are very aware of the medical advice on how to actually make sure that events can go ahead in a COVID-safe way?

Mrs RYMAN-KIERNAN: Yes, I do. I mean, lockdown is the thing that is causing us the biggest problem. Every event we have planned in a live space has a COVID-safe plan in Victoria. I mean, we have got one for the exhibition I referred to that was cancelled that is probably 40 pages. It sits under the venue plan, and we absolutely have COVID-safe marshals, PPE where required, sanitiser, notices, decals on the floor. In the events industry we are very process driven and we follow rules because we have to and we look at risk. Even before COVID we have lived with risk always. There was always a risk of something happening: someone falling off a ladder, something falling down, people not being able to get there. So we have lived with this before COVID, and all that COVID has done has really just ramped it up, what we have to do—so absolutely. We have an event that is one of the national ones that is meant to happen in a few weeks in Victoria. We have our COVID-safe plan for that. We would obviously ramp that up because the plans, they are not just written and forgotten; they are written and you just keep evolving them. You would ramp that up, and absolutely I think we could run safe events.

The CHAIR: Thank you for that, Sue. I might just pass on to one of our other committee members to ask a question because I am just aware of the time. I might actually pass over to Mr Meddick then Mrs McArthur. Mr Meddick, do you have a question?

Mr MEDDICK: I do. Thank you, Chair, and thank you for your presentation. One very quick question: if Victoria had not gone into lockdown—let us just deal with the one we currently have, for instance—if we had not gone into lockdown, if we had decided as a state that we could handle this, that it was all under control and we had all these other measures in place, but still all the other states decided to lock their borders with Victoria, where do you see that having an effect and what do you see the solution to that is? Do you think that regardless of that people who have booked events with you should still be able to come in and do what they do under your COVID-safe plans and then go home? Or do you think that those other states have got a right to say, 'Well, we don't think you should be coming back because you are at risk of bringing that disease back to our state'?

Mrs RYMAN-KIERNAN: It is a very broad question. I think the lockdown of states is really problematic. I understand why they are doing it. You know, my 89-year-old parents live in the UK. It has gone through there. I totally understand it. But for a country to lock its citizens out of state to state I think is a problem. I think something like the hotspots is totally valid. It is difficult for me to answer. I mean, should people be able to come and go? I mean, ideally, yes. I mean, ideally, absolutely yes. I mean, the events that we are running on Friday evening—we cannot go. So we are working out a plan to do that—how we can make that happen. That client—two of their senior people cannot also go. One is based in Queensland and one is in New South Wales, but they were in Victoria for two days. They now cannot go to that event that is not even in Victoria. It is this ripple effect that just reaches out. How we can keep the country open, keep people moving around—absolutely

in a safe way—wearing masks, doing everything we have to do, getting vaccinated, I think will help events keep running and I think will help business keep going. You know, listening to the news this morning about how the overall economy is doing but how the Victorian economy is doing is going to cause us problems.

Mr MEDDICK: My apologies for making that a somewhat leading question, because it was going down the path of: are we asking the commonwealth to take control of border closures so that the states do not have that control themselves?

The CHAIR: Thank you very much for that question and answer. I might pass over for our final question to Mrs McArthur. I believe that our next witness is ready. Mrs McArthur, final question.

Mrs McARTHUR: Well, that is an interesting prospect—if we could do away with the powers of state premiers. We would be one Australia with no borders and lines on a map and we could all move freely. It sounds absolutely how it should be operating, so I would be interested in going down that path. But can you tell me: when governments send out an edict that something will be locked down from midnight the next day we have heard from the hospitality industry that often means disposing of tonnes of food and people having been employed as casual staff being all put off. How does that impact you and your industry, both financially and in a sort of people personal sense? You are lucky if you are given 24 hours notice to shut something down. What is the financial and personal impact?

Mrs RYMAN-KIERNAN: Financial, from a business perspective, is that there will be much more work involved in, as I talked of earlier, unravelling everything—cancelling, changing really quickly. I think from a business perspective for the people that we deal with—the suppliers that we deal with, the AV companies, the staging companies, the riggers, all of those—those people will instantly have no work. If they are casual, obviously no work, no pay. My team, as an example, will keep working, but we will keep working probably over the weekend, trying to sort things out. So there is more work that has not been covered. As I say, for some other organisations that are along the track from us that we have as suppliers, they will lose work straightaway and there will be nothing to replace it.

From a personal perspective it is really stressful—it is really stressful—waiting, waiting, waiting. Literally emails coming and going, ‘Is this event going ahead?’. I have gone back to my team and just said, ‘Shall we just wait until this afternoon and see?’. You just cannot plan—and we are planners. We are list people, we are planners. So we sort of have this list sitting here waiting with all the things we are going to have to do, whether it is going ahead or whether it is not going ahead. Having such short notice is problematic. It puts a lot of stress on, because you are trying to still work on the events that are in the future—you know, fingers crossed, July, August the events will happen—whilst you are trying to change and push back all the events that are being cancelled. So, as I say, for us, we are still working, but for many there is no work, and the stress I think throughout the industry is huge.

Mrs McARTHUR: So in one event would you be able to put a financial figure on it—hundreds of thousands of dollars in costs?

The CHAIR: Mrs McArthur, I am just worried that the next witness is here ready. I know Mr Tarlamis and you I am sure will have additional questions. On that point I just want to thank Sue and Wise Connections for their contribution to our committee hearing process. If we do have additional questions, would it be okay if we just email you directly?

Mrs RYMAN-KIERNAN: Yes, of course. Yes, no problem.

The CHAIR: Thank you, because I know the time we have got for witnesses today and our next witness is already waiting. We really appreciate you coming. It was great to hear the impact it has had on you but the Victorian event sector more broadly. So thank you.

Mrs RYMAN-KIERNAN: Well, thank you for listening to us, because it is important that we are able to share our voices.

The CHAIR: It is important we hear from you, so thank you very much for that.

Witness withdrew.