

COVID-19 Response Inquiry

Submission from Live Performance Australia

1. ABOUT LIVE PERFORMANCE AUSTRALIA

LPA is the peak body for Australia's live arts and entertainment industry. Established over 100 years ago in 1917 and registered as an employers' organisation under the *Fair Work (Registered Organisations) Act 2009*, LPA has nearly 400 Members nationally. We represent commercial and independent producers, music promoters, performing arts companies, venues (performing arts centres, commercial theatres, stadiums and arenas), arts festivals, music festivals and service providers (such as ticketing companies and technical suppliers). Our membership spans from small-medium and not-for-profit organisations to large commercial entities.

2. INTRODUCTION

LPA welcomes the opportunity to inform recommendations to improve Australia's preparedness for future pandemics. Our submission relates to the following focus areas in the Terms of Reference:

- **broader health supports** for people impacted by COVID-19 and/or lockdowns (mental health)
- **support for industry and businesses** (labour shortages and support for specific industries).

The live performance industry was among the first to be impacted by the introduction of public health restrictions. Commonwealth, state and territory governments ordered against holding non-essential, organised public gatherings of more than 500 people from Monday 16 March 2020. Over the following two years, public health orders and travel restrictions caused the cancellation of thousands of live performances and events, festivals and concert tours.

It is important that policy makers consider medium to longer-term consequences when imposing restrictions or lockdowns, particularly on the live performance industry. As many live performance companies operate across state borders, **nationally consistent government measures** (e.g. consistent definitions of essential workers, density rules) would reduce the administrative and compliance burden for organisations. In addition, early certainty of government's plans would help business reactivation plans. Unlike other businesses, live events cannot be put on stage as soon as business activity restrictions are lifted. There are lengthy lead times (typically 4-8 weeks for shows 'in market' and longer for shows that are planned but not yet on stage) to put on a performance. Productions may also need to adapt their practices to respond to public health advice. As such, businesses would benefit from advanced insight into government's plans for reactivation.

LPA's prior submission to the *Select Committee on the COVID-19 Pandemic* (June 2020) is provided in **Attachment 1**. This contains further details on the key issues, proposals and industry statistics presented by LPA to the Australian Government throughout the pandemic.

EY's assessment of COVID-19's impact on the industry (December 2020) is provided in **Attachment 2**.

3. THE IMPACT OF COVID-19 ON THE LIVE PERFORMANCE INDUSTRY

Closures and cancellations led to sunk costs, lost revenue and job losses

The shutdown of events and venues led to **significant and unrecoverable sunk costs** for producers, promoters, artists and live performance venues. These include those relating to content development, programming, national and international touring, marketing and promotion, visa fees, deposits for artists and production services, security fees and ticketing.

Lost revenue was widespread in the independent, not-for-profit and commercial sectors. For the live performance industry, 6 months of closure equated to more than a \$1b loss in ticket revenue.¹ This decimated the financial reserves of many companies and continues to hinder their efforts to rebuild.

Job loss was significant across the industry. The Australian Bureau of Statistics reported that arts and recreation services businesses had the second-highest number of job losses, with a 19% decline in payroll jobs in the week ending 2 May 2020.² Although the JobKeeper program provided more than \$76 million to the creative and performing arts sector in April 2020, both **JobKeeper** and **JobSeeker** excluded much of the live performance workforce due to unique employment arrangements, including casuals and freelancers.

The industry is experiencing 'long-covid' impacts

In 2021, the Australian live performance industry generated total ticket sales revenue of almost \$0.7b, an increase of 12% from 2020. Approximately 10.9m tickets were issued, a 40.1% growth from 2020. However, these results are noticeably lower than pre-pandemic, with a 65% decrease in revenue and 54% decrease in attendance from 2019 to 2021.

Although some sectors of the industry have returned strongly, different audience segments and parts of the industry are recovering at differing speeds. They are also grappling with significant inflationary factors (operating costs are now 30-50% higher), employment costs, skills shortages and rising cost of living pressures for audiences. Many organisations remain financially vulnerable; government COVID-support programs have been discontinued, and organisations have run down their financial reserves due to not being able to generate income during the pandemic. It is important that companies rebuild their reserves to both weather future black swan events and continue to play their significant role as employers and content creators/producers.

Skill shortages and worker burnout are critical issues

Uncertainty and job losses during the pandemic have **exacerbated skill shortages**. Many professionals left the industry for better job security or have moved internationally to pursue opportunities. Prior to COVID-19, the industry consistently raised concerns over a shortage of technical workers (sound and lighting), particularly in regional areas. In 2022, LPA Member surveys confirmed that shortages had expanded to include crew (audio, visual, lighting, stage and set construction), production (company, stage and event management, wardrobe and design) and front of house roles in both metropolitan and regional areas. The latest [National Skills Priority List](#) confirms a national shortage of sound and lighting technicians.

The resulting worker burnout means that poor mental health presents the highest risk in workplaces today. 'Job stress and other work-related psychosocial hazards are emerging as the

¹ [LPA Ticket Attendance and Revenue Report 2019 and 2020 \(liveperformance.com.au\)](#)

² Australian Bureau of Statistics (2020), *Business Impacts of COVID-19 Survey Week Commencing 30 March 2020*, 7 April 2020

leading contributors to the burden of occupational disease and injury'.³ The costs of mental health are substantial, including lower economic participation and lost productivity.⁴

Compared to the general population, workers in the live arts and entertainment industry are 4x more likely to experience psychological distress, and 4.5x more likely to have suicidal thoughts, with 1/10 acting upon these thoughts.⁵ Despite this, mental health support is limited to a minority of workplaces. While many large companies offer their workers access to support programs such as an Employee Assistance Program, these resources do not exist for independent workers and workers at small to medium companies due to cost barriers.

LPA acknowledges the value of the Federal Government’s funding for [Support Act](#) services during the pandemic.⁶ Support Act offers crisis relief, mental health and wellbeing support to workers across the music industry. It is vital that the Government continue to invest in such services, including for live performance more broadly, to improve the wellbeing and future resilience of the industry.

4. KEY RECOMMENDATIONS TO IMPROVE AUSTRALIA’S PREPAREDNESS

IMPLEMENT NOW	
Industry-led traineeships	Many LPA Members are willing to employ trainees or provide practical training but are constrained financially from doing so. LPA urges the Government to fund 12-month industry-led traineeships that address skills and employment shortages and help rebuild Australia’s arts and entertainment industry (\$3.5m pa for 3 years, for 100 traineeships annually). It would be supported by a grants program for industry-led initiatives to attract, retrain and retain skilled workers (\$500,000 over 18 months).
Employee Assistance Program	Establish an industry-specific Employee Assistance Program (\$2-3m pa for 3 years) to allow arts and entertainment workers to access mental health and wellbeing support. This would complement Support Act but have broader reach.
Reserves Rebuild Fund	Establish a Reserves Rebuild Fund (\$25m over two years). The fund could be matched by state and territory governments to total \$50m and would enable companies to move quickly to sustainable financial settings.
IMPLEMENT IN FUTURE CRISIS EVENT	
JobSeeker Coverage	Extend JobSeeker Coverage. As noted, JobSeeker excluded much of the live performance workforce that were also ineligible for JobKeeper due to unique employment arrangements (casuals and freelancers). An Industry Advisory Group (below) could inform this work.
Reactivation and Recovery Grants Program	Establish a \$100m grants program to support business reactivation and recovery in the 18-months following a crisis event. Grants could be used to offset the production and operational costs, as well as the costs of freight, travel, marketing, insurance and staffing. Grants could be made available to live music businesses, commercial theatre producers, not-for-profit companies and service providers (such as specialist audio, visual and lighting production companies).
Industry Advisory Group	LPA recommends that a Live Arts and Entertainment Industry Advisory Group be established to provide expert advice to Government throughout any future pandemics / Black Swan events.

³ M Marmot, J Siegrist, and T Theorelle. (2008) "Health and the Psychological Environment at Work." In *Social Determinants of Health*, (Oxford: Oxford University Press), pp. 97–130.

⁴ <https://www.pc.gov.au/inquiries/completed/mental-health/report/mental-health-actions-findings.pdf>

⁵ <https://supportact.org.au/mental-health-survey/>

⁶ [The Australian government has announced \\$10 million in funding for Support Act \(mixdownmag.com.au\)](https://www.mixdownmag.com.au/news/the-australian-government-has-announced-10-million-in-funding-for-support-act)