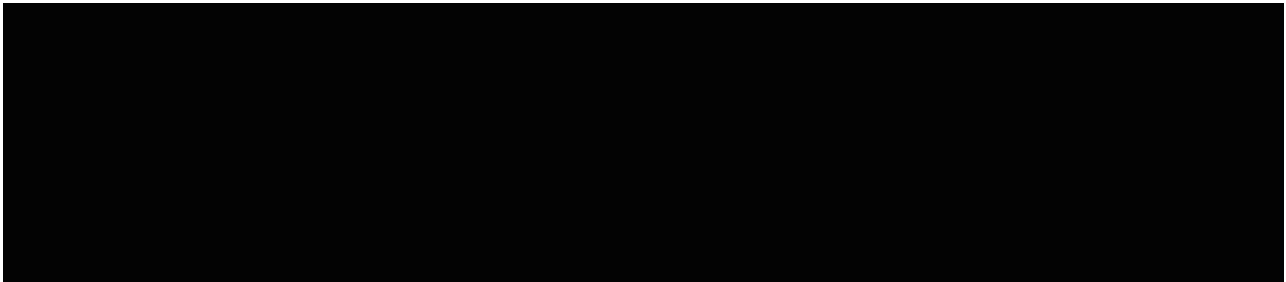


COVID-19 Response Inquiry Submission – 15 December 2023

This is the [REDACTED] response in relation to the following terms of reference:

- Governance including the role of the Commonwealth Government, responsibilities of state and territory governments, national governance mechanisms
- Support for industry and businesses.



[REDACTED] submission illustrates the impact of COVID-19 related measures as instigated by the State, Territory and Commonwealth Governments, and recommends responses to mitigate these impacts on the business events industry in the future. Twenty-seven submissions from across Australia representing Venues, Organisers, Bureaux, Suppliers have been collated in this response.

Venue closures, gathering restrictions, travel restrictions, staff loss, lack of information and people's mental wellbeing have been the biggest impacts on the business events industry. The consequences extended beyond the immediate economic impact, affecting client relationships, workforce numbers, and overall financial stability of the affected industries. A national, consultation-based, industry-specific, data-led approach to mitigating these impacts is recommended.

Impact of COVID-19 related measures on the business events industry

COVID-19 related measures across the country had severe and in many cases devastating impacts for delivering face-to-face business events - which were virtually non-existent for most of 2020 and 2021.

- Many businesses experienced a complete shutdown, with large venues being the last to return to normal. Major event venues faced closures, cancellations, and a substantial loss of revenue, leading to the brink of bankruptcy.
- Event bookings were repeatedly cancelled or postponed, contracts were cancelled, and a prolonged period without government assistance resulted in a loss of income across all sectors.
- The inability to host face-to-face business events for almost two years led to a shift towards remote work, forcing substantial staff layoffs, contributing to significant financial losses.
- The loss of staff to other sectors remains a challenge today, as does rebuilding the workforce pipeline.
- The impact extended to individual contractors, with a sudden and drastic drop in turnover, cancellation of events, and struggles with renegotiating contracts.
- Mental health issues among staff became extremely prevalent, and businesses faced challenges in providing necessary support. The emotional toll on business owners, employees, and contractors was palpable.

Venues grappled with closures, capacity limitations, cross-border travel restrictions, staff availability, and the implementation of COVID-19 hygiene policies. Venues, such as the Melbourne Convention and Exhibition Centre (MCEC), the National Convention Centre Canberra, the Perth Convention and Exhibition Centre, and the Cairns Convention Centre experienced a profound economic impact.



- Varying rules and regulations across states created confusion for national operators. The messaging to clients became convoluted due to the changing rules.
- Uncertainty in the industry, coupled with changing conditions and restrictions, made event management exceedingly difficult for both venues and clients.
- Restrictions led to an 80%ⁱⁱⁱ reduction in business in some instances, forcing staff to seek work in other sectors.
- Forced closures and the cancellation or postponement of events led to a 60%^{iv} reduction in revenue (vs. prior year) in some instances, missed international event opportunities, further compounded by border closures, and reduced confidence in travel.
- National business activity halted during periods of border closures; clients were hesitant to book again.
- The reduced venue capability led to revenue loss and slow staff employment recovery resulting in ongoing skill shortages.

Suppliers faced unprecedented difficulties, with the absence of events and limitations resulting in the loss of all business or significant loss of revenue, primarily attributed to restrictions on travel, crowd capacities, venue capacity, and the general fear of travel by both exhibitors and attendees.

- Staff were unable to commute locally, making it impossible to trade.
- Some experienced a 90%^v drop in revenue during the affected period.
- The move to online events fell significantly short of the impact delivered by face-to-face interactions, devaluing the event channel.
- The challenges persisted even after limitations and restrictions ceased, with a delay of 6 months before the sector could resume some level of normalcy.

Organisers experienced an effective shutdown for the majority of the COVID period due to cancelled events, venue capacity restrictions, challenges in organising hybrid events, visa and travel restrictions, and the shortage in the labour force which all brought organisers' core work of running live face-to-face events to a halt.

- The worst effects were when gatherings were restricted to family members only, and people could not travel into or out of the state.
- Even when events were allowed, reduced capacity allowances and the requirement to have seated events posed additional challenges, especially for exhibition and festival-style setups.
- Despite offering to create safe systematic approaches to staging events, the industry felt a lack of consultation. In some cases, the responsibility to design frameworks for event operation fell on health units already overwhelmed by managing outbreaks.^{vi}
- Relief payments went to consumers rather than event organisers in the case of consumer trade shows, which also didn't receive support – highlighting a lack of understanding regarding business events industry members.

Bureaux, and other sectors varied in their response, with some businesses closing, while others adhered to government-driven limitations, proving to be unprofitable.

- Staff redundancies were common, with some occurring before the initiation of the Job Keeper fund, rendering certain employees ineligible for support.^{vii}
- Many small business operators were forced to shut down, and a significant number have not returned to the industry, resulting in a shortage of staff and reduced expertise across the sector.

Suggested State or Territory government responses to minimise or eradicate these impacts

- **Industry recognition is vital.** The unique nature of business events requires **understanding and acknowledgment** of the challenges faced by industry and a more nuanced approach that recognises the controlled and organised nature of these events. Governments needs to understand that business events are not a sub-set of tourism. Specific support tailored to the business event supply chain is essential.



- **A unified national strategy** would provide more consistency and clarity and mitigate unfair practices.
- **Additional financial support** to help businesses, beyond JobKeeper assistance.
- **More consultation before closures** could have provided businesses with the confidence to make informed decisions, prepare, educate, and raise awareness among industry members.
- **A well-funded unified voice** such as that created in ABEA would have been more effective in representing the economic and social impact of business events.

Suggested Commonwealth government responses to minimise or eradicate these impacts

- **A more coordinated, unified and consistent federal response** that includes consultation before closures, and a stronger federal role in supporting directives to states and territories is required.
- **Recognition of the impact on the events industry** and acknowledgment of its uniqueness along with longer lead times for implementing changes.
- **Bespoke funding for sole traders**, as well as improvements in their design and targeting is required.
- **A clearer roadmap and action plan** for reopening international borders as necessary for instilling greater confidence in international markets.
- **The timing and deployment of border closures and lockdowns** is acknowledged as crisis measures, however a better understanding of when and how these measures should be applied is required.
- **Earlier lifting of restrictions and venue capacity limits** need reconsideration based on the nature of the venue.
- **The effective use of funds and better consultation and communication** between the government and industry experts is required.
- **Centralised online resources** providing accurate and updated information on rules in different locations.

Business events industry recommendations to the Commonwealth government for future pandemic preparations

- **Establish a bi-partisan joint committee** to oversee and guide future pandemic protocols including a predefined action/risk mitigation plan based on global best practice.
- **Establish a federal roadmap** that allows for a consistent and coordinated approach.
- Develop **consistent medical advice and policies** across all regions to avoid confusion, enhance confidence, facilitate faster decision-making, and enable strong communication between states and the Commonwealth.
- **Review and redesign grant systems** to prevent unfair advantages, ensuring they are tailored to specific needs of affected industries. Ensure financial support for affected sectors reflects the true extent of the impact and complexity of operations.
- **Invest in comprehensive data systems** at a national level to guide decision-making during crises, preventing harsh and prolonged lockdowns. Conduct thorough research to understand the needs and impacts on industries before making decisions.
- **Require ongoing investment** in workforce R&D to prevent industry closures and job losses.
- **Include representatives from the business events industry** in bodies responsible for pandemic response to encourage forward thinking and long-term planning for industries impacted by extended closures.
- **Mandate national guidelines for indoor air flow** for venues and fund infrastructure upgrades.

ⁱⁱ *ibid*

ⁱⁱⁱ Sydney Showground lost approx. 80% of business (relating to sport, expos, live music) and approx. \$65m in a year, on the verge of bankruptcy. – Andrew Roberts, Director Sales & Marketing, Sydney Showgrounds.

^{iv} 60% loss of retail revenue vs prior year. – Anonymous, national provider of hospitality services - catering, restaurants, cafes.

^v 90% drop in revenue due to Covid related measures. – Anonymous, national provider of supplies for corporate and public events/exhibitions.

^{vi} Queensland health unit frameworks were created by a Griffith University bureaucrat not actively involved in the event industry. – Bob Carroll, Managing Director, Australian Events Marketing.