Live Performance Federal Insurance Guarantee Fund Bill 2021 Submission 3



14th September, 2021

Committee Secretary
Senate Standing Committees on Environment and Communications
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Committee Members

Re: Live Performance Federal Insurance Guarantee Fund Bull 2021

I write to you as one of the founders of the Fuzzy group of companies. We are music festival promoters and producers who are part of an industry that has been hit the hardest by the COVID-19 pandemic.

Our company was started out of an idea between two friends more than 25 years. And since then we have built the company to revenues of more than AUD40 million in the 2019/21 financial year, and employing and contracting over 5,000 people to work at our festivals annually.

The pandemic has virtually wiped out our entire revenue with none of our re-occurring festivals occurring in the last 18 months. This has also meant that nearly all our contractors have not been employed by us during this time.

It has meant that we have gone from a highly profitable business that has contributed significantly to the economy to a loss-making company in one year due to the pandemic.

But we continue operating our business in the hope that we will be able to start producing our music festivals again soon. However, there is only so much in losses that we can sustain.

With vaccination levels now moving towards 80% of the adult population towards the end of this year, we need to be able to start planning festivals which can take 6-9 months to organise. And the only way we are able to do this is if there is some sort of certainty and security that music festivals can proceed and protected.

We are therefore seeking a coordinated nation-wide package from State and Federal Governments for event disruption insurance that covers against COVID lockdown disruption. If there was such a scheme in place, it will mean that we can be safeguarded from huge losses from the large outlay required to stage a large music festival. Without this sort of coverage and potential for pandemic shut downs, we do not believe that it is



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feasible for us to take such a huge risk to stage a festival. And this may well mean that we can no longer continue with our business that has taken 25 years to build.

We are also seeking a sustainability package from the State and Federal Government with a focus on targeted wage subsidy or support. We are the industry that has been hit the hardest by this pandemic. Even hospitality has had the chance to operate outside of the lockdowns in each state. But music festivals have had no opportunity. Therefore until we are able to stage festivals again, we believe that a very targeted wage subsidy and support is required. Otherwise we risk losing very talented people with very specific skills from our industry. We have seen this happen in the United States where festivals have started up again but there is a real problem getting skilled workforce as many of these specialists had to leave the industry and find other jobs in order to survive.

I hope that the Committee will recognise the significant economic contribution made by the music and events industry and will aid us in being able to start staging festivals again with certainty and with the skilled labour we require.

Yours faithfully

Ming Gan
Director – Fuzzy Operations Pty Limited



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