

EPIC WORKING GROUP PRE BUDGET SUBMISSION 2020



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"Really miss concerts" – An Tánaiste, Leo Varadkar, August 12th, 2020.



EXECUTIVE SUMMARY

The country misses gigs – concerts, theatres, dances, choirs, orchestras, festivals, food festivals – the country misses our commemorations, our parades, our favourite bands. But right now, for most in the Live Entertainment & Events Sector, we miss the opportunity to earn a living, to pay our bills, to survive. This is not possible due to the devastation of the sector by the ongoing Covid19 Pandemic and the mandated closure of the entire sector.

At the end of August after much confusion, the government confirmed that all cultural institutions could continue with a maximum number of 50 people indoors including theatres, museums and arts spaces but "gigs at music venues should not go ahead at present' – Dr. Ronan Glynn, Acting Chief Medical Officer. The industry has no opportunity to trade, no opportunity to earn a living for over 6 months. As a sector we want to reopen, we want to reopen under government guidelines when it is safe to do so and work with the statutory bodies to develop systems and plans for events in the future. The Live Entertainment and Events Industry appreciates, maybe more than most, the consideration of keeping people safe; we do that in every decision we make, in a theatre or a muddy festival field, but now, in these unprecedented times, we must call on the government to support this viable industry in all its parts until it is able to safely return to capacity in all its glory.

We have become very familiar with the term *Social Distancing*, as an industry, it is not what we do, that is the very antithesis of it. When the time is right, this industry will be ready to bring people back together when they will need it most but in the meantime we need meaningful and decisive supports to survive.

EPIC calls upon the Government to provide:

- Reinstatement of the support payment of €410 (being the previous level of the TWSS) and €350 (being the previous level of the PUP) which is vital for the skilled workforce of the sector until it fully recovers. The sector is unique in that it is almost entirely closed under government mandate with no opportunity to trade.
- 2. Implementation of a "scaffolding support fund" equivalent to the level allocated to the state funded sector, to help protect and hold the sector upright and together, allowing it to survive, until such time as organised and ticketed live entertainment events can return to full capacity safely.
- 3. An extension of business rates waiver for a period of thirty-six months to allow SMEs, Venues and the other businesses of the sector to recover.
- 4. Reduction in the rate of VAT on ticket sales to 5% to aid with the staged re-opening of the sector at likely greatly reduced capacity.
- 5. A VAT Tax Credit for the personnel and SMEs of the sector to inspire trade at reduced capacity and enhance the opportunity for businesses to return to work.
- 6. Implement a taskforce on insurance to review cancellation insurance for events.
- Extension of the credit guarantee scheme to ensure SMEs can borrow 100% loan requirements due to extreme difficulty with securing the remaining 20% from Irish banks.

- 8. Stimulus packages to support the sole owner businesses and small businesses & venues:
 - a. Schools and Colleges: €2 million fund, to provide seat loss compensation grant up to €2,500 in each case.
 - b. Musical Societies, Drama Societies, Stage Schools and Dance Schools: A €1 Million Euro fund accessible to theatres and arts centres to be distributed by the Department of Culture. The fund would allow the theatre or arts centre to apply for €400 per night of performance and pass the saving on to the society in reduced rent.
 - c. Small Venue Supports: A €3m euro fund allowing for grants of €1,000 per performance in small music venues to compensate for reduced capacity and to encourage venues to open with less capacity.
- 9. Confirmation that the recently announced Cross Departmental Taskforce for the Arts, Culture & Live Events Sector will be a long standing body with representation on the taskforce for the commercial live events sector relative to the size of the commercial sector versus the state funded sector.

ABOUT EPIC



The Event Production Industry Covid19 Working Group (EPIC) was established in May 2020 in response to the devasting impact of the pandemic on the industry. EPIC is an independently elected group of representatives from all aspects of the Live Entertainment and Events Industry and is a member of the Events Industry Alliance (EIA).

EPIC is a volunteer-led movement that seeks to give a voice to the 35,000 staff of the wider events industry, those that have spent years in the shadows creating some of the best memories of the citizens of Ireland. We work to ensure that their voices are heard at both local and national level and that the commercial Live Entertainment & Events Sector is recognised as a vital part of both the economy and contemporary Irish society.

LIVE ENTERTAINMENT, LIVE EVENTS AND THE ARTS

- 1. At a time when we are so far apart, where social distancing is what keeps us safe, the live entertainment sector is what can, in time, bring us back together; "at the moment, it's like a wet day in an empty field in Slane, but the sun will shine again, and the people will come again".
- 2. The Live Entertainment & Music Industry employs 25,000 people in Ireland.
- 3. The wider Live Entertainment and Events Industry employs 35,000 people in Ireland.
- 4. The Live Entertainment & Music Industry generates €1.8 Billion annually for the Irish Economy
- 5. The wider Live Entertainment & Events Industry generates €3.5 Billion for the Irish Economy.
- 6. Live Entertainment directly contributes 3.3 Million bed nights per year to the tourism sector.
- 7. For every €1 spend on a ticket to a live event, there is an additional €6 generated in the wider tourism sector (Hotels, Bars, Restaurants, Taxis, Buses etc)
- 8. This industry is based in every county in Ireland, every town, every village and every city. The SMEs that supply the industry and 65% based outside of the greater Dublin region.
- 9. Snapshot Electric Picnic
 - a. €6.5 Million Value to Stradbally
 - b. €20 Million Value to Co. Laois
 - c. €36 Million Value to Ireland
- 10. Snapshot Regional Festivals
 - a. Indiependence, €2 Million Value to Mitchelstown
 - b. Sea Sessions, €2 Million Value to Bundoran

These figures are repeated all over the country by live entertainment, festivals and events of all shapes and sizes.

11. The Commercial Live Entertainment and Events Industry does not receive state funding, Arts Council funding or other local or national funding.

EPIC RECOMMENDATIONS FOR BUDGET 2020

Restoration of EWSS and PUP

- Reinstatement of the EWSS support payment to €410 (being the previous level of the TWSS) and €350 (being the previous level of the PUP) which is vital to maintain the skilled workforce of the sector until it fully reopens. The current step down nature of these payments is designed for business and individuals who are trading at a reduced capacity. That is not the situation for this sector, this sector is almost entirely closed under government mandate. This sector is unique in that.
- Implementation of a system which allows self-employed freelancers to take occasional work without having to sign off the PUP system. In order to stimulate the gig economy and allow businesses to return to work in graduated stages, it is essential that workers can accept occasional employment without the fear of losing the benefits of the Pandemic Unemployment Payment (PUP).

Scaffolding Support For The Industry

There are two main aspects to the support funds required by the sector;

- Implementation of an expanded Performance Scheme via the Department of Culture. This scheme would allow for promoters, venues and event producers to subsidise the running of events at reduced capacities during the graduated reopening of the industry. This would allow for a trickledown effect to crew and SMEs returning to work at these events. The value of this fund should be comparable to the funding allocated to the state funded sector.
- Implementation of a Business Support Grants Scheme for the SMEs of the sector via the Department of Enterprise, Trade and Employment. SMEs are the lifeblood of the Irish economy and none more so than those on the Live Entertainment and Events Sector. They are successful, viable, resilient enterprises that through no fault of their own find themselves shut; warehouses full of equipment with no one to rent it. They have bills to pay, loan repayments to meet. Without direct grant support for these SMEs, they will be lost. It is imperative that these companies are saved if the industry as a whole is to return to its former glory in a post-Covid world.

Other Business & Financial Supports

- Empty venues & empty festival fields but full warehouses do not provide any income for this sector. These businesses will return quickly post Covid but will need time to replenish financial reserves, time to stabilise their business, time to recruit staff lost staff. To this end, we ask for an extension of the business rates waiver for a period of thirty-six months to allow the venues and the SMEs to fully recover.
- To aid the venues, promoters and event producers in maintaining their business but also in paying staff, SMEs and artists, we ask for a reduction in the VAT on tickets for live entertainment and events to 5%. This will encourage and stimulate the sector to recover at reduced capacity while we gradually reopen.

• In addition, we ask for a VAT Tax Credit Scheme for the SMEs, Venues, Festivals, Freelance Staff and Events based on previous VAT compliant returns. Again, this system would stimulate business, encourage enterprise and help the sector return on a step up basis.

Extension of the Credit Guarantee Scheme

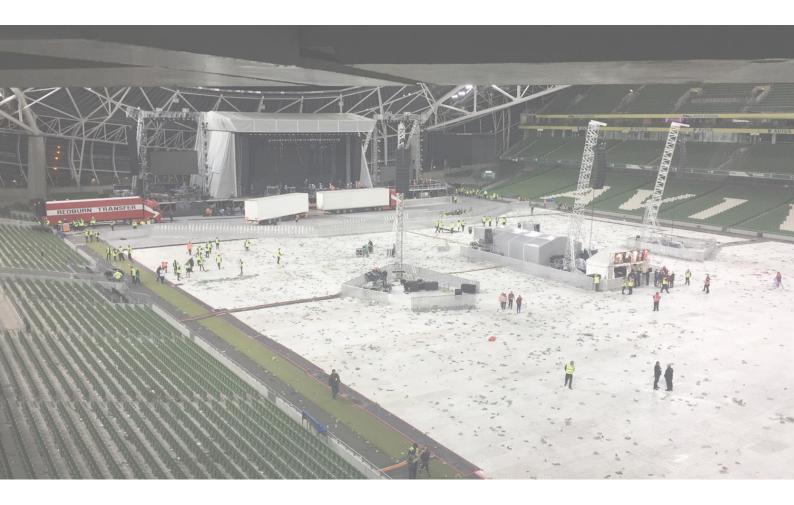
• At present when SMEs are trying to borrow under the credit guarantee scheme with an 80% guarantee, the banks are not lending. The SMEs are facing severe reluctance from the banks to "risk" the 20% element of the loan. It is imperative that this be rectified either through pressure on the banks or through the government guaranteeing the full 100% to provide credit to these viable and normally profitable businesses to allow them to survive until they can trade again.

Stimulus Packages to Support Small Businesses & Venues

- Schools and Colleges: A €2 Million Euro fund, to provide seat loss compensation grant aid up to €2,500 in each case. To be distributed by the Department of Education, to the educational organisation hosting the production, for school and college shows (defined as all members of the cast in full time education). This equates to circa 800 separate school or college performances. This fund will encourage these performances to return at reduced capacity aiding the small and micro suppliers to the industry in regional locations.
- Musical Societies, Drama Societies, Stage Schools, Dance Schools and Local Theatre Productions: A €1 Million Euro fund accessible to theatres and arts centres to be distributed by the Department of Culture. The fund would allow the theatre or arts centre to apply for €400 per night of performance and pass the saving on to the society in reduced rent. This will aid community, amateur and young performer productions which are carried out in a controlled and professionally run environment. It will encourage these performances to return at reduced capacity and benefit the small and micro suppliers in the industry in regional locations. The €400 per night being approximately 50% of the average per night rental of a small theatre or arts centre.
- Small Venue Support: A €3m euro fund allowing for grants of €1,000 per performance in small music venues to compensate for reduced capacity and to encourage venues to open with less capacity. This will aid small venues, the blood of our industry, to open within governmental limits and stimulate the industry at its grass root level, providing artists, companies and crew with some steady, if still much reduced, employment.

Establishment of Arts & Entertainment Cross Departmental Taskforce

- While this Task Force was announced by Minister Catherine Martin on the 10th of September, it is essential that the formation of the members gives due consideration to the Commercial Live Events Sector. This is the sector that manages the largest events in the country, has managed the Papal Visit, the visit of Barack Obama and The Queen of The United Kingdom. The Commercial Live Events Sector are the experts, the best in class and should receive parity of voice with the state funded sector on the task force. It is imperative that the Live Events Sector is totally represented on the taskforce.
- Minister Catherine Martin also announced that the task force would report to her Department on October 31st. While EPIC welcomes the quick nature of this first report, we ask government to consider making this task force a permanent fixture as we navigate the waters of a post-Covid Ireland. There are many legislative and guidance issues around events in Ireland, this task force should be taken as an opportunity to deal with and rectify those issues over the coming months and years.



THE CURRENT SITUATION FOR OUR INDUSTRY

The Live Entertainment and Events Sector is unique for many reasons, currently we are unique for the most unwanted reason, we are mandated closed due to the restrictions around the ongoing Covid19 Pandemic. On September 16th, 2020, the day that this submission will be launched, we will have been closed for 188 days, the only sector with such a strict lockdown for such a long period of time.

This is a vibrant and viable industry, an industry of creators and innovators, an industry of business people with skin in the game, an industry with a highly skilled indigenous workforce that is a world leader in its field.

We were successful before Covid and we will be again but while we are shut, while we are prevented from trading, we need immediate and concrete government supports to scaffold this industry until it is safe for us to return. The commercial sector has never asked before but these are unprecedented times and the support that government can give now will have a lasting and meaningful impact on the recovery of this sector in the future.

"The invaluable contribution of the off stage talent in Ireland, those that enable the performance"

"Tonight highlights the reach and importance of the wider Irish events industry, its crew as well as its musicians"

"We should have a deep appreciation for arts and culture and its centrality in our lives and as a people"

- President of Ireland, Michael D. Higgins, Songs From An Empty Room. July 25th, 2020

CONTRIBUTORS TO THIS SUBMISSION

The data included in this submission has been based on the independently audited "Let's Celebrate" report, 2017 by Wide Awake Communications.

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