



PRE-BUDGET 2022 SUBMISSION

Commercial Event Sector

Submitted by EPIC

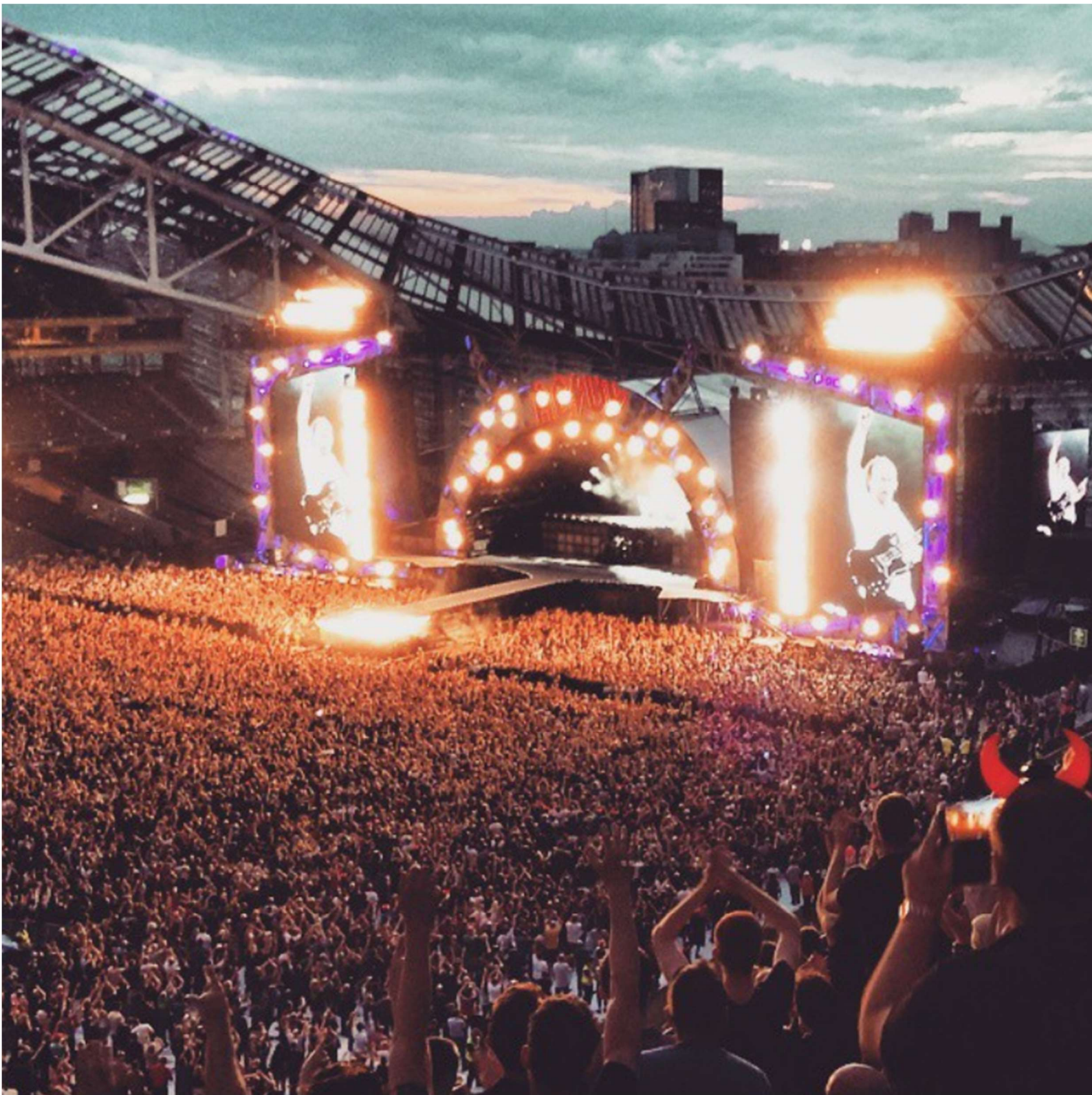
The Event Production Industry Covid working group is an elected board of industry professionals representing workers and businesses in the Irish commercial event sector. EPIC has been instrumental in securing financial supports during the Covid 19 pandemic, as well as mental health and welfare supports for the industry.

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EXECUTIVE SUMMARY

The events sector was fully closed by pandemic restrictions from March 12th 2020 through September 6th 2021, a total of 543 days, and subsequently has been allowed to reopen to 60% capacity, a threshold which is below financial break-even for the majority of promoters.

The sector stands alone in the Irish economy, in length of time it has been fully closed, the impact this has had on its businesses and workers, and the glaringly disproportionate supports received.

The commercial events sector was financially independent before the pandemic, and will be so again, but the sector has been devastated by this prolonged closure.

The lack of adequate and timely support for this sector has created untold damage, this will require extended supports to allow businesses and workers to recover as the economy reopens, and events gradually resume.

It is estimated that it will take approximately 24 months after the sector is permitted to reopen fully, from the Government of Ireland proposed date of 22nd October 2021 for recovery to happen.

In 2021 the Arts Council of Ireland received funding of €130 million for the funded Arts Sector, the (non-funded) Commercial Events Sector would benefit from similar funding being made available to help stimulate regrowth in the industry as the economy recovers.

The Commercial Events Sector supports over 35,000 jobs, contributes over €3.5 billion to the Irish economy and delivers in excess of 3 million annual bed nights to the Irish tourism sector.

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

Ireland has missed concerts, theatres, dances, choirs, orchestras, festivals, food festivals – the country craves for our commemorations, our parades, our favourite artists and entertainers. However, right now, what those working in the Commercial Events Sector miss most, is the opportunity to return to work, earn a living, to look after their family, to pay their bills and to survive. For many, this has simply not been possible for 19 months due to the impact and devastation caused by this Pandemic.

EPIC calls upon the Government to provide:

1. An extension of the Employment Wage Subsidy Scheme until the sector fully recovers. The sector is unique in that it was entirely closed under government mandate with no opportunity to trade.
2. An equal value replacement for the PUP specific to Event sector workers, who will have limited work available until the outdoor season begins in May 2022, as the 2021 season has been lost due to restrictions.
3. Implementation of a “scaffolding support fund” of €130 million equivalent to the level allocated to the state funded sector, to stimulate regrowth in the sector, and seed organic growth as the economy recovery.

4. An extension of business rates waiver for a period of thirty-six months from the date of full capacity return to allow SMEs, venues and other businesses within the sector to recover, and to assist with COVID-19 infrastructural compliance.
5. Zero VAT rate on Live Entertainment and Event ticket sales to stimulate consumer activity and help to regrow the sector, thereby applying a fair and level playing field with other entertainment events, such as sporting, who benefit from Zero VAT on their ticket sales.
6. A credit against 2021/22 VAT returns of 50% of VAT returns filed in 2019, to improve cashflow and inspire confidence in the sectors SMEs and sole traders as they return to work.
7. Insurance cancellation protection support for events and the establishment of a support scheme, similar to that in the UK and other European countries. For example, six weeks costs for an event or theatre production which could face immediate closure on opening night due to a further wave of COVID-19 outbreak.
8. A Corporation Tax credit of 50% of 2019 liability, applied for the next three years 2021, 2022 and 2023 returns. This will ease the tax burden on businesses encumbered by paused loans and liabilities built up while unable to trade.
9. Establishment of a cross-departmental taskforce for the commercial Live Entertainment and Events Sector, to be a longstanding body, with representatives from the wider live events sector.
10. Establishment of a capacity building and upskilling scheme for event workers aimed at recovery and renewal through professional development as recommended, and outlined, in Recommendation 7, 'A life worth living' – Arts & Culture Recovery Taskforce, 2020
11. Establishment of a Creative Green Programme as recommended, and outlined, in Recommendation 8, 'A life worth living' – Arts & Culture Recovery Taskforce, 2020
12. Government to commit to continue its provision of financial support to local authorities to offset any loss of income they experience in 2022 so as to enable them to maintain their investment in arts, culture and events at 2021 levels - Recommendation 5, 'A life worth living' – Arts & Culture Recovery Taskforce, 2020
13. 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.
14. Continued funding for Minding Creative Minds essential services.



ABOUT EPIC

Established in May 2020 in response to the impact of the Pandemic on the industry. **EPIC** committee is comprised of Event Sector representatives, voted in by a large group of industry professionals. covering a large portion of the event industry in Ireland ranging from small local events to internationally recognised large scale commercial live events, cutting edge world class business events, summits, exhibitions, trade shows, weddings, event sponsorship activity, as well as outdoor entertainment operators such as funfairs and circuses, and the hundreds of SME's and suppliers involved in supporting every aspect of this once thriving industry.

The Commercial Events Sector contributes over €3.5 billion to the Irish economy. A volunteer-led organisation that seeks to give a voice to the 35,000 workers of the wider event industry, working to ensure that their voices are heard at both local and national level is recognised as a vital part of both the economy and contemporary Irish society.

LIVE ENTERTAINMENT, LIVE EVENTS AND THE ARTS

1. Never in the history of the sector have the curtains closed for so long.

The tools gathered dust, while the lights sat cold and pensive.

“As the lights come back up to an amber glow, and we visit the seats we all used to know, remember those in the wings, heroes unsung, their journey is not over, it’s just rebegun”

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. Independence, €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 annual state funding, Arts Council funding or other local or national funding in a typical year, and the sector specific covid supports launched in 2021 have demonstrated that such funding will be necessary to secure a full recovery of the sector.



EPIC RECOMMENDATIONS FOR BUDGET 2022

1. An extension of the Employment Wage Subsidy Scheme until the sector fully recovers. The sector is unique in that it was entirely closed under government mandate with no opportunity to trade. The EWSS has enabled employers in every sector to maintain jobs, keeping workers engaged and ensuring their employment post-pandemic. It is imperative that this support is not withdrawn until such time as businesses in the sector can achieve 70% or more of their pre-pandemic turnover.
2. An equal value replacement for the PUP specific to Event sector workers, who will have limited work available until the outdoor season begins in May 2022, as the 2021 season has been lost due to restrictions. These workers are vulnerable to economic conditions, having barely weathered 19 months with little or no work, Support must be provided to ensure they have financial stability until their work has returned. A UBI scheme as touted by the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media, and recommended in the “Life worth living” report of the same department, would provide an industry specific option for this purpose if implemented quickly.
3. Implementation of a “scaffolding support fund” of €130 million equivalent to the level allocated to the state funded sector, to stimulate regrowth in the sector, and seed organic growth as the economy recovers. The 2021 budget saw a €50m allocation to the sector, which has created work and employment, and a significant return to the state via taxation. It is estimated that it will take 2 years for the sector to fully recover, investment in grants for performance, growth and training will stimulate the sector and aid in its recovery.
4. An extension of business rates waiver for a period of thirty-six months from the date of full capacity return to allow SMEs, venues and other businesses within the sector to recover, and to assist with COVID-19 infrastructural compliance.
5. Zero VAT rate on Live Entertainment and Event ticket sales to stimulate consumer activity and help to regrow the sector, thereby applying a fair and level playing field with other entertainment events, such as sporting, who benefit from Zero VAT on their ticket sales.
6. A credit against 2021/22 VAT returns of 50% of VAT returns filed in 2019, to improve cashflow and inspire confidence in the sectors SMEs and sole traders as they return to work. To be applied as a direct credit on VAT accounts with Revenue.
7. Insurance cancellation protection support for events and the establishment of a support scheme, similar to that in the UK and other European countries. For example, six weeks costs for an event or theatre production which could face immediate closure on opening night due to a further wave of COVID-19 outbreak. While variants of the virus are circulating and infection numbers remain high, the threat of further restrictions is both very real, and worrying. Without a suitable insurance in place many promoters will be unable to underwrite the cost of a potential cancellation if government are forced to put further restrictions in place. This presents a significant hurdle to the recovery of the sector, which will slow growth and regeneration.
8. A Corporation Tax credit of 50% of 2019 liability, applied for the next three years 2021, 2022 and 2023 returns. This will ease the tax burden on businesses encumbered by paused loans and liabilities built up while unable to trade.

9. Establishment of a cross-departmental taskforce for the commercial Live Entertainment and Events Sector, to be a longstanding body, with representatives from the wider live events sector. The taskforce should be mandated to develop a National Strategic Recovery Plan 2022-2026 that spans Culture, Arts, Events, Tourism, and Hospitality. Building on the success of the Arts & Culture Recovery Taskforce, the development of this recovery plan should be supported by a dedicated National Recovery Taskforce which should include representatives from all relevant sectors - both public and private.
10. Establishment of a capacity building and upskilling scheme for event workers aimed at recovery and renewal through professional development as recommended, and outlined, in Recommendation 7, 'A life worth living' – Arts & Culture Recovery Taskforce, 2020
11. Establishment of a Creative Green Programme as recommended, and outlined, in Recommendation 8, 'A life worth living' – Arts & Culture Recovery Taskforce, 2020
12. Commitment to continue provision of financial support to local authorities to offset any loss of income they experience in 2022 so as to enable them to maintain their investment in arts, culture and events at 2021 levels - Recommendation 5, 'A life worth living' – Arts & Culture Recovery Taskforce, 2020
13. 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. This scheme will also provide valuable finance as businesses re-open and need to invest in new technology to address the challenges they will face.
14. Continued funding for Minding Creative Minds essential services. These mental health and financial planning services have been vital to many industry workers and businesses during the pandemic, and will continue to be so throughout the recovery.





THE CURRENT SITUATION FOR OUR INDUSTRY

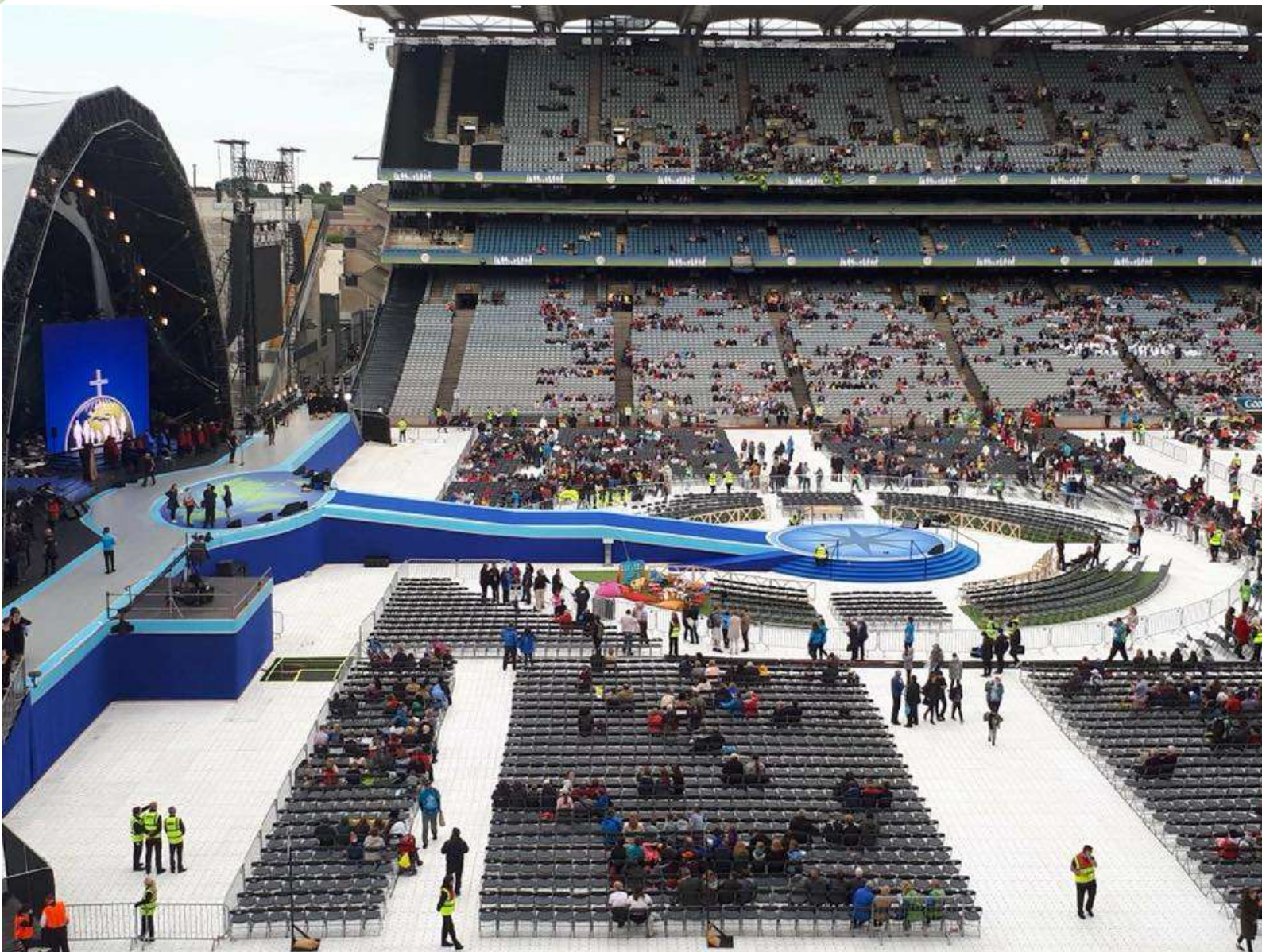
The Live Entertainment and Events Sector is unique for many reasons, currently we are unique for the least desirable reason, we have been mandated closed due to the restrictions around the ongoing Covid19 Pandemic for 19 months.

By October 22nd 2021, the day that further restrictions are due to end, we will have been closed or at below profitable capacity for 589 days with 543 of those days fully closed.

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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