

Omicron Industry Survey #1 Summary

NZ moved to Covid Protection Framework level RED at 11.59pm 24 January 2022.

Survey opened: Wednesday 26 January 2022

Survey closed: Saturday 29 January 2022

Survey participants: 280

The estimated loss of revenue resultant from postponements or cancellations due to the move to RED for the period 24 January 2022 - 1 May 2022 is estimated at 85% of the revenue for our respondents over this period. For our respondents this equates to an estimated \$40 million loss.**

Out of our 280 participants:

28.9% Company Owner/Director

16.8% PAYE Employee

7.1% One-Person Limited Company

44.3% Freelancer/Sole trader

1.8% Other – made up of DJ's, venues, company & theatre managers

Regions Represented cover the whole of NZ:

6.8% Bay of Plenty

48.6% Auckland

16.4% Canterbury

5.7% Hawke's Bay

3.2% Gisborne

2.5% Marlborough

4.6% Manawatu-Whanganui

4.3% Northland

4.3% Nelson

2.9% Southland

6.8% Otago

1.8% Tasman

3.2% Taranaki

11.4% Waikato

26.8% Wellington

1.4% West Coast

Types of business activity our respondents engaged in were:

51.4% Theatre

76.8% Events

80.7% Music/Concerts

47.1% Corporate

9.6% Other – made up of performing arts education, catering, arts festivals, private events, tv & film, exhibitions, tradeshows

Areas of work undertaken by our respondents were:

50.7% Production Services

43.9% Technical/Equipment Supplier

67.9% Production Technician/Crew

14.6% Labour Supply

- 36.1% Management
- 22.5% Artist
- 6.1% Marketing
- 3.2% Merchandise
- 1.8% Catering
- 2.9% Infrastructure supply (fencing, portaloos, etc.)
- 2.9% Equipment Manufacture
- 7.5% Other – including performing arts education, artist management, ticketing, promoters, health and safety consultant, design, photography

The estimated length of time our respondents can stay solvent if our current RED restrictions continue, and no financial support becomes available.

- 19.6% 1 month
- 26.8% 3 months
- 9.6% 6 months
- 13.2% Other – this covers weeks to 12 months

Our respondents would like to see the following forms of support offered.

- 52.1% Further access into the existing MBIE & MCH support funds
- 94.6% Sector specific Wage Subsidy
- 15.4% Interest-free Loans
- 11.4% Other – this covered Resurgence Payments, Universal benefits, immediate access to the unemployment benefit, rent relief, to retraining payments

Respondents that have been a recipient of either the MBIE or MCH support schemes.

- 36.4% Yes
- 43.9% No
- 15.0% No - I didn't know about the support schemes
- 4.6% Other – respondents expect to be recipients

Additional comments from respondents:

(DISCLAIMER: these do not necessarily reflect the views of Entertainment Technology New Zealand)

“Red is as bad as level 3 for my ability to work. There should be as much support now as there was when we were in lockdown.”

“Over the last four years the proportion of work we do in preparation for events has increased - hence the revenue is before the event takes place [...]”

“We need help or we are not going to get through this time our staff are like family this is so cruel. We are locked out of our means of earning an income there is no help or back up how do we pay staff how do we buy groceries for the family.”

“There appears to have been next to nothing for the existing skilled casual/freelance workers... some people ask about how to attract and train new people to the industry, but seem to forget about retaining the skilled people already here and at risk of having to leave to be able to afford to live...”

“I am seriously considering changing careers. Something with a steady income, and not effected by traffic light or level changes. Something that requires less logistics juggling and crew rescheduling.”

“Help!”

“There are roll on impacts for the performance sectors eg: I often do relief teaching for a professional musician. If all her gigs are canceled, then all my teaching work is canceled (which happened during the delta lockdown - I had 8 weeks of pt teaching canceled the day before I started).”



"It concerns me the public response I've seen saying get a different job (to various technician/musician/performing artist friends)."

"There is no dollar figure that can be put on the mental toll and impact this is having on myself, staff and families. I, and I know of others in the industry that have gone and gotten other jobs outside our sector just to pay the home bills, this doesn't even come close to covering the business bills, this shows how much of a financial impact this is having and how the sector isn't even keeping itself alive."

"Through my many contacts in the industry I am hearing that the entry into Red light is hitting the hardest as all resources have been depleted over the last 2 years. The reason for this is there is a lag from when the lockdowns ended and the gigs started up again. Whilst I don't need any support personally I do fear greatly for my friends and colleagues financial and mental wellbeing."

"As a freelancer who relies on casual work, I don't get trickle down support from cancelled events as I don't have contracts with them until a few weeks in advance."

"Of the 12+ cancelled events and probably more to come 2 have been eligible for govt mch support, all large events 5000+ weren't eligible and others haven't applied. As a contractor there's nothing I can do about that, this no support."

"It's shameful the marketing that went out about red being pretty much normal "for businesses" clearly they just forgot about a whole sector. If the government is telling us that we can't go to work and earn a living to put food on the table and keep a roof over our families, then they must provide financial support."

"Next season is my biggest worry with no one left. I would love to see a fund allocated to training and up-skilling the next generation. We are going to lose people offshore or to other industries. We have to keep industry professionals in business to pass on knowledgeable. Lots of us could be paid to teach people. I would love to champion this along with other industry friends."

"the targeted wage subsidies and business subsidies were a big help, previous we have been able to keep our staff (our best asset), know when the industry starts people will be a premium"

"[...] I am aware that the business is struggling due to a number of event cancellations and a lack of support. Also, we have many casual/freelance staff on our books who we now have no work for the foreseeable future. We had a lot of work booked for these staff members over the next 6 weeks and now that all of our large and many of our smaller events have cancelled they suddenly have no work and no support available."

"There's gotta be some specific industry financial support... Clients are gonna be so reluctant to book future shows/events with covid hanging over their heads."

"It hurts to have the livelihood taken away. We are skilled professionals and a resilient bunch with a multitude of skills. I hope that I will be able to get other work to tie me over."

There is an issue "[...] if they think all those insurance payouts will make it to the hands of all those that would have worked. Contracts hadn't yet been put in place. Artists are only part of the picture."

"Due to lockdowns & lack of support I had to use all of my savings just to live and now have \$0 backup. WINZ expecting us to be looking for full time jobs is unfeasible. At some point events will happen again & the trained, experienced crew need to be available for it."

"Local government venues don't get wage subsidy just have to lay off staff."

"We also have all our big annual bills like insurance etc scheduled for March when we usually have the most work."

"I've been in business 21 years as a small regional technical supplier. We are the only supplier in our entire



region and when we go under, there will be nobody else to do it in our region.”

“This is a nightmarish scenario for us and it’s totally gutting to watch our business be destroyed like this.”

“When you own over half a million dollars worth of technical equipment, it’s really hard to pivot and now the industry has crashed all that equipment is essentially worthless if we tried to liquidate.”

“You really need to be at the coal face to get a feeling of what it is like for a small Cultural music live venue to see how bad it is [...]”

“The wage subsidy would be a lifeline right now and would help to sustain my business.”

“As a supplier to the business events industry we sit outside the event fund support currently available. Our startup has seen year on year growth and we know there is a place for us in the market. We have had zero income since August 2021 and with no income for who knows how long we’re not sure how we’re going to make it. We believe the health approach to Covid is the right one, however there needs to be support for people whose ability to run their businesses has been removed.”

“The industry needs to retain its experienced staff to be ready to start operating as soon as this crisis is over.”

“It’s all a bit of guess work, as there is no way to predict when the traffic lights will change.”

“We are a company with two owner operators. We occasionally hire casuals.”

“I am one of only three employees retained on staff - at considerable personal expense to my employer. We are only doing maintenance and administrative work on reduced hours. We have reduced fulltime staff and have not been able to provide work to our contract pool at all. I am not able to say how long my employer will be willing and able to continue retaining staff without some form of external subsidy support.”

“With a universal cost of living allowance, the support to survive is not dependent on one’s line of business nor their prior income.”

“I am a small business, of 1 + 5 regular casuals, the summer is when we make a significant amount of our annual income.”

“[...] I do know that under the current situation that if things do not improve then I face my position being terminated, which means that I will see \$50,000 in lost income if that does happen.”

“The common line is that the hospitality industry is the going to be the worst affected by the red level restrictions when in fact it is the music and entertainment industries which will be worst off, again. Support is needed. Proper support not just for those who book the events, rather all those involved. Bring back the wage subsidy because basically this is no different than lockdown for us.”

“[...] there are a number of us who have not had any income for 2 years as the major events we all work on have been cancelled year on year. Employment statistics don’t represent the thousands of us not paying ourselves and loading life savings into businesses to ensure overhead and staffing commitments are met.”

“I understand the restrictions need to be in place. Trickle down effect support has minimal effect on contractor’s lack of income through postponements & cancellations.”

“Kia ora, firstly I want to say that I generally support the government’s response to this pandemic. The issue is with having half my expected income from the period vanish with no support. It’s already hard enough making a living in Wellington with exorbitant rent and cost of living. This only makes it harder or even impossible for people in the arts, and our “coolest little capital” will rapidly become a dull, culture-less wasteland as creatives are financially forced to move away.”

“I’m a small event and have not been allocated any financial support because I fall out of the perimeters,



which is really disheartening for a new event to start up and get no support.”

“We are heartbroken, absolutely and utterly broken in spirit. I’m crying everyday cos we have no support and all we wanna do is stand on our own feet and work. This is not our hobby! It’s our livelihood.”

“We have multiple businesses in hospitality and events that are on the brink of collapse with no support. Both for us as owners, but all of our staff, contractors, artists, and suppliers. To leave one sector out to dry with zero support is crippling us and so many of our colleagues and friends in the industries. We appease to the government for a support scheme so that we can continue doing the work we love and supporting the surrounding businesses that help us put our festivals and nights together.”

“I believe it’s incredibly unfair to us the events sector to use us for your vaccination drive then abandon us when you make it impossible to operate.”

“They need to be paying support funding directly to those who have lost work. It is very hard to get paid out by events as a contractor, or when you have been sub hired by multiple parties – i.e. Been hired in by an artist to do FOH for them at a festival. The artist would need to be paid by the festival and then me paid by the artist. This is unreliable and does not work. No event cancellation payout on council events that have been cancelled is very damaging to the industry. No payouts on postponed events is very damaging as well, as postponed events are all landing on the same dates so income is heavily reduced with only being able to do a limited number of jobs. Despite all my event cancellations and 10s Of thousands of dollars of work lost from cancelled events I have not received a single payment from the current event cancellation support schemes. The system does not work.”

“Please help!”

** To arrive at our percentage and total revenue losses we used the below questions:

- What is your estimated loss of revenue (\$) resultant from postponements or cancellations due to the move to RED for the period 24 January – 1 May 2022?
- What revenue value (\$) did you expect for the period 24 January – 1 May 2022 (prior to the move to RED)?

Background on ETNZ

Entertainment Technology New Zealand (ETNZ) is a professional association of people involved in the technical aspects of the event and entertainment industry. We have a broad membership of people ranging from students and individual practitioners through to larger national and international companies. Our goal is to support the New Zealand entertainment and event industry through professional development, advocacy, and safety. ETNZ have worked closely with Skills Active Aotearoa, who have lodged formal qualifications for our industry onto the New Zealand Qualification Framework and developed unit standards to meet these qualifications. ETNZ have also built relationships with like organisations from around the world.