



**Media Release – Immediate Release**

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## **LPA calls for Business Interruption Fund to protect industry against future COVID-related shutdowns**

A new fund to help shield Australia’s live performance industry from future COVID-19 lockdowns is being proposed to prevent further financial damage to the sector and provide confidence as theatres and events re-open across the country.

Live Performance Australia has developed the plan for a Business Interruption Fund to provide greater assurance against the risk of disruption to live performance productions or events due to the reimposition of public health restrictions to manage COVID-19 outbreaks or clusters.

The pandemic has taken a devastating toll on the live performance industry during 2020, causing an estimated \$24 billion of lost economic output and almost \$11 billion in lost industry value. It has also seen 79,000 jobs cut - or around two thirds of the workforce.

While Australia has made great progress in fighting the spread of the virus and is now reopening businesses, venues and events, there will continue to be the possibility of restrictions or shutdowns in the future until such time as a vaccine is widely available and taken up.

LPA Chief Executive Evelyn Richardson said significant commercial risks were involved with scheduling new events or theatre seasons given the possibility of targeted public health restrictions being reimposed.

“The live performance industry was the first to be completely shut down by public health restrictions, and remains among the most vulnerable to future closure due to new outbreaks,” Ms Richardson said.

“Live performance businesses have little or no financial reserves to survive another shutdown, and this risk will hold back the industry’s reactivation and its contribution to our economic recovery,” Ms Richardson said.

The proposed Business Interruption Fund (BIF) will help increase industry confidence to reactivate live events, by providing indemnification for costs if a live event is cancelled, postponed, or negatively affected by the re-introduction of government restrictions, or a slower than anticipated easing of government restrictions.

The industry faced significant insurance premiums for events prior to COVID-19. These premiums are now increasing, but producers and promoters are also not able to insure against COVID-19 impacts now that it is a known risk.

LPA’s detailed plan has been shared with the Commonwealth, state and territory governments. Only Western Australia currently has a business interruption scheme in place.

The LPA proposal would assist live event promoters and theatre producers that are impacted by a range of scenarios and would solely cover costs or losses arising from COVID-related issues.

The level of support would be capped and participants in the scheme would be required to pay a fee calculated at a percentage of the level of coverage required.



Ms Richardson said the LPA proposal for the live performance industry was modelled on a similar plan the Commonwealth Government had put in place for the screen industry.

**ENDS**

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**About LPA**

Live Performance Australia (LPA) is the peak body for Australia's live performance industry. Established over 100 years ago in 1917 and registered as an employers' organisation under the *Fair Work (Registered Organisations) Act 2009*, LPA has over 400 Members nationally. We represent commercial producers, music promoters, major performing arts companies, small to medium companies, independent producers, major performing arts centres, metropolitan and regional venues, commercial theatres, stadiums and arenas, arts festivals, music festivals, and service providers such as ticketing companies and technical suppliers. Our membership spans from small-medium and not-for-profit organisations to large commercial entities.

LPA has a clear mandate to advocate for and support policy decisions that benefit the sustainability and growth of the live performance industry in Australia.