



Submission to ASBFEO inquiry into the insurance crisis facing Australia's amusement, leisure, and recreation sector.

Prepared by the Royal Agricultural & Horticultural Society of SA Inc. (RA&HS)

About the Royal Agricultural & Horticultural Society of SA Inc.

Established in 1839, and responsible for the management and development of the Adelaide Showground, the Adelaide Showground Caravan Park and presenting the Royal Adelaide Show annually.

The Royal Adelaide Show

The first Royal Adelaide Show was held in 1840 and since this time 244 Shows have been presented. Due to the COVID-19 pandemic both the 2020 and 2021 Royal Shows were cancelled.

Annually, the Royal Adelaide Show has a gross economic contribution of \$170M (*Ernst & Young 2019*), employment of over 5,000 people, and an annual average visitation of half-a-million people. The Royal Adelaide Show is the largest attended royal show per capita, nationally and runs for 9 days in early September.

The Show mostly comprises of competitions, commercial exhibitors, entertainment, and a large carnival contingent.

Insurance for Royal Show Entertainment and Amusement Rides

The RA&HS for some time has required commercial exhibitors including entertainers and amusement ride operators to provide at a minimum \$20M Public Liability Insurance. As expected by the Show going public entertainment varies from passive to fast and raucous.

However, in the last 18 months a notable number of amusement ride operators and 'extreme' entertainment such as the motorbike *Airtime Freestyle Motor X Team*, and class 4 and 5 amusement devices have been reporting difficulties in attaining the required \$20M Public Liability insurance, and if able to secure the required level of insurance, the premiums required are expensive and prohibitive.

This additional expense is on the back of limited events being held around the country due to the COVID-19 pandemic, resulting in reduced income for these businesses. If an affordable solution to public liability is not found, many of these businesses will find themselves in the unenviable situation of business failure.

Impact on the Royal Adelaide Show

Nationally, agricultural shows and carnival operators have been heavily impacted from COVID-19 protocols and when adding the challenge of accessing public liability insurance for key entertainment elements, it compounds greatly the challenges faced by entertainers and events such as the Royal Adelaide Show.



Due to a SA Health protocol directive which resulted in the cancellation of the 2021 Royal Adelaide Show, the impact the Public Liability Insurance has not yet be experienced by the RA&HS. The RA&HS is very keen for the insurance issue to be resolved no later than the start of 2022. It is essential that Australian events incorporating a broad range of entertainment can access a full range of acts and equipment as expected by patrons. This is an imperative for the future attractiveness and viability of the Royal Adelaide Show, South Australia's largest publicly attended and ticketed event.

On average over 50 amusement rides work at the Royal Adelaide Show each year including several class 4 and 5 rides. Main Arena entertainment is synonymous with fast cars, motorbikes, horse polocrosse, barrel racing and evening fireworks all of which are feeling the pressure of unaffordable public liability insurance.

If the current insurance environment persists there is a real risk of business failure leading to lesser product offerings nationally and here in South Australia.

Further Information

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