Pre Budget-Submission 2022 – 2023

"The Tattoo Industry is not recognized as a retail entity; its business structure is lackadaisical with obstructing business fundamentals. Is the Australian Government receiving an accurate tax revenue from this industry?

Is it about time its evaluated and the risk removed?"

Submission from Erika Armstrong.

Owner of Black Widow Tattoo Gold Coast Industry experience over 20 x Years.

With this submission I would like to introduce the tattoo industry as it stands, outline some major failings, and provide solutions that are in line with peoples earning privileges and the government's objectives. With a portion of the budget set aside to support the progressive economics of what we



know as the Tattoo industry and remove the risk, stabilizing one of Australia's, very lucrative business Industries.

The Tattoo industry is growing worldwide, and steadily, whether it is "liked" or not, this industry plays a strong economic part within Australia's economy. Its time to give it some support and enforce professional business operations.

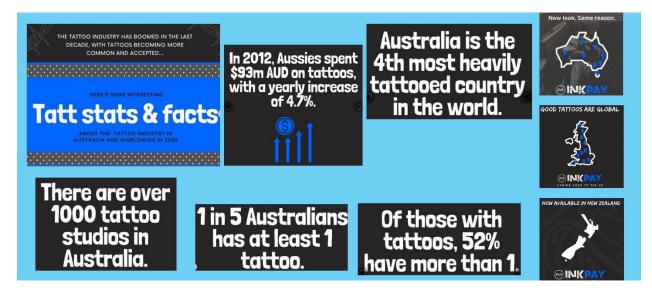
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Information and Statistics

Here is some relative information: Statistics are published by the company *Inkpay.

*Inkpay is a financial lending agency to the public, solely for the acquisition of Tattoo art. Yes! You can now finance your tattoo acquisition throughout the world. https://www.instagram.com/inkpayofficial/



- A. The current enterprise of small businesses called the tattoo industry currently funds the
 Australian police authorities the sum of \$826,450.00 annually.
 Eighty-six thousand four hundred and fifty dollars, approximately PER ANNUM in fees for NSW and
 QLD Tattoo and Operator Licenses combined.
- B. In Australia ONLY: NSW and QLD Require, Tattoo Artists Licenses and Tattoo Operator Licenses to conduct the trade. These are solely criminal History checks. There is no formal accreditation required to support the skill. The objective behind the Licenses are. "Advise that currently the license requirements are based on the fitness and propriety of the applicant and their close associates rather than the applicant's skill and experience." 2018
- C. **Operational Licensed Tattoo fees**, there are 500 x shops approx., combined in both Queensland and NSW, Australia. Paying an annual license \$988.90 each totaling to a combined revenue of **\$494,450.00** fees *with no accreditation
- D. **Tattoo Artist License Fees.** There are on average 4.2 x Contracting Tattoo artist in 500 x tattoo shops in NSW and Qld, Totaling to 2100 x Artists. All paying an annual fee of \$664 = total combined fee revenue is **\$332,000.00** for Tattoo Artists License fees *with no accreditation...
- E. On average a Tattoo Artists **Income** is around \$50k. per annum.
- F. **Projected Income** Taxes are on \$50K: \$6717.00, \$1000.00 Medicare levy's leaving a net of \$42.283.

G. Averaging Income Taxes of 4200 Tattoo artists equals = \$28,211,400.00

*Is the Australian Government receiving accurate tax revenue?

"Tattoo Artists earn between \$20,948.48 and \$68,818.40 AUD annually. Most Tattoo Artists work for someone else in the beginning years of their career and must pay the shop owner a portion of their earnings."

"Most Tattoo shops trade and pay in cash"

- H. A tattoo training information website reports that "the shopkeeper typically collects a 60 to 70 percent commission on each tattoo completed in his shop. So, if you complete a tattoo for \$100, the shopkeeper's commission is usually between \$60 and \$70, leaving you with \$30 to \$40 in your pocket."
- I. The National Geographic News stated in April 2000 that 15% of Americans were tattooed (or approximately 40 million people!)
- J. Esquire Magazine estimated in March 2002 that 1 in 8 Americans was tattooed. Here is Australia, this is 1 in 5.
- K. Make no mistake about it, the tattoo industry is hot property. There are an estimated 20,000+ parlors operating in the United States, according to a U.S. News & World Report article, which said, on the average, an establishment is being added in the country every day. The article ranked tattooing as the sixth fastest growing retail venture of the 1990s.
- L. There are two ways that tattoo shop owners can pay their employees contracting artists, and an owner can decide which system is most beneficial. When paying by percentage, the more money a tattoo artist generates means higher income for the owner. The amount continuously fluctuates, however, leaving the shop owner estimating the income each month. Booth rental is optimal during slow periods at the tattoo shop. The owner receives a set amount of money regardless of if the tattoo artist has made money or not that week or month.

Industry Concerns

- Staffing
- 2. Artists Training and competency
- 3. Wanting a tattoo career, obtaining one.
- 4. Accountability / responsibility around supply demand and staffing / apprenticeships
- 5. Rights and subjectification
- 6. Remunerations compliant with Country laws / taxation
- 7. A governing agency to turn to for help for both artist and operators
- 8. Insurance fees

- 9. Acquiring a premise
- 10. Job legitimacy
- 11. Financing and lending feasibility (in the tattoo industry your risk characterization, inhibits you with this).
- 12. License acquisition in a timely manner
- 13. Appropriate Licensing named accordingly.
- 14. Retail act acknowledgement.
- 15. Occupational discrimination comes along with the risky nature of the business.
- 16. Unwanted association.
- 17. Unanimous ruling nationwide.
- 18. Covid 19

Risk / Concerns explained

1. Staffing

Untrained - Back yard Tattoo Artists Spreading Pathogen Contaminated Disease and supporting the associated enterprises = Risk.

2. Artists Training and competency

There is not a current skill level or milestone measurement for the tattoo artists level of competency = Risk

3. Wanting a tattoo career

The is not any formal training opportunity to acquire the skills necessary to become a [professional tattoo artists. Individual shop apprenticeships are not adequate and often used as a cash injection. There isn't any where to turn for the training accountability or artists responsibility = More Risk.

4. Accountability / responsibility around supply demand and staffing / apprenticeships As the industry is not outlined in any retail act, we cannot source competent staff from overseas = Risk

5. Rights and subjectification

Tattoo artists do not have any where to turn when they are not being treated adequately. Many artists get treated horrendously, their wages are not fixed, paid in cash only, told to destroy disclaimers, so the shop can tax evade. Deducted Super and workers compensation to never have it paid out.... (I only have a submission of 5 x pages, so I am keeping everything very simplified). = Risk.

6. Remunerations compliant with Country laws / taxation

Many shops run on a cash basis, with two sets of books which is why artists are told to destroy disclaimers. Not only does this place the artist in a precarious position, and if they want to keep their job they have to put up with this conduct. But this "cash" operative goes directly against the reasoning of the implemented tattoo licensing, in the states of Qld and NSW. Cementing the criminal sector withing this industry. Also, having staff on contract, with cash payments daily mean the individual is disposable without any leg to stand on if treated inadequately. This does not secure the artist in an 'employed remunerative' Income situation so they can become a fruitful part of society.

Do you think adequate taxes are being tallied with daily cash payment remuneration?

7. A governing agency to turn to for help for both artist and operators

We as tattoo artists or operators, do not have anyone to turn to for remedial help and solution. The ATG (Australian Tattoo Guild) are a tight net committee who do not care for industry progression, training or schooling opportunities, working together with anyone who opposes their opinions and shouldn't be in the position of the industry representation, solely. The ATG, thugs, keep most decisions in house, the same members are the PTAA, supporting artist with criminal priors to gain licenses, and ostracizing anyone who has good ideas and wants a better future for tattooing.

8. Insurance fees

These are extortionately high due to the risk factor. And as you can see there is a high risk with ever aspect I have put forward. Tattoo Operator, Tattoo Artists and Tattoo event insurance premiums are limited to only a few independent companies. Because of the Affiliation. Our insurance premium paperwork have us identify which gang affiliation we are associated with.

9. Acquiring a premise

Acquiring a premise is extremely hard. Body corporate buildings where the building is adjoining another do not allow Tattoo shops. This is because the insurance premiums rise across the entire building, for every occupant, it is so high the Lessee of the tattoo shop, cannot absorb it. I personally have lost two x leases due to premium rises of over 12K per annum, once the building harbors a 'tattoo shop. Again, due to the risk.

10. Job legitimacy

In most positions today in the 21st Century, if you want staff, you register with an agency and advertise. If you want a job, you send in a resume and apply with all your supporting credentials. Upon employment acceptance both parties work out the formals, financials remunerations, work details and days of work are agreed upon. *I have a lot to submit here*. In this industry everything is against the tattoo artist and for the operation. This also does not equate to functioning remuneration packages that are need for today. Some tattoo artists cannot even gain a phone plan...

11. Financing and lendability

We are too much of a risk seeking high broker loans where possible or worse, needing to seek financial help from the wrong associates... There isn't any government funding for this industry either.

12. License acquisition in a timely manner

Tattoo Artists and Shop owners are still treated as if we are the scum of the earth by police authorities. This is not necessary. Why are the police charging to process a Tattoo License when they refuse to have correspondences with the license individual and do not prioritize the process in a timely manner?

13. Appropriate Licensing

Why isn't the License called a Criminal History Check License that grants the individual clearances in the Security industry, Tattoo Industry, Care Giving and any other Industry that requires nil criminal history.

14. Retail act

As the tattoo industry is not outlined in any retail act. Staffing or sponsoring staff from O/S are not an option, fighting the insurance premium legally is difficult as there aren't any retail boundaries in place.

15. Occupational discrimination

We are discriminated against due to the stigma around tattoo shops. Most lending agencies will not lend to Tattoo ships. Most Body Corporation will not Lease to Tattoo shops...

16. Unwanted association

You are associated as a tattoo artist if you happen to work for an associated shop. And as were all advertising as "Professional shops, ran like a hair salon" then getting old mate to come in patched up and collect the cash... Meaning Artists are at risk; Customers are at risk. People are collateral damage, and no one wants to be associated. Most artists just love the art of tattooing.

17. Unanimous ruling nation wide

This industry is usually a revolving door of artists and guest positions. People acquiring awesome pieces of artwork and creating a small following themselves.

Tattoo Artists Licenses with their current (two state) standing has stymied this flow of artist movement across Australia and Internationally. There should be nationwide tattoo compliance, prohibiting criminals but supporting the industry. Removing the risk.

18. Covid

Most non-essential workers and artists have felt the brunt financially of the Covid Pandemic. Tattoo Artists have had it exceptionally hard as a contractor.

In a bigger picture, when a building site need contractors for a specific job, they can call an agency and have someone assigned with the skill capability. This should be how the tattoo industry could work? There is enough demand to supply, accept we have no measure of capabilities or accreditation.

Solution or Remedial considerations

- A. Regulate this industry and make it compliant. Mandate by 2023 there needs to be some form of nationally recognized accreditation that would serve toward reducing the risk in the following areas.
- B. The classification of Tattooing within the retail act.

- C. The feasibility to sponsor competent and skilled tattoo artists from overseas for employment.
- D. Remove the ability for 'contracting artists' to employment only.
- E. Create an incentive for employment packages for businesses. This will remove cash and entice a more finically stable industry initiative.
- F. Government tax subsidies and grant incentives for companies prepared to offer apprenticeships with employment (like the building and health industries).
- G. Apprenticeship and training accountability measurements implemented for competency and efficiency training.
- H. Tattoo Artist License's that we have in place currently for NSW and Qld managed by the Police, to be changed to **Criminal History Check Card's**, permitting the use for the purpose of Tattooing.
- I. Operator Licenses registered with the state governance and not the police or incorporated with. These should be produced in a fair a timely fashion and NOT 13 x months.
- J. The competency skill level around infection control should require more than a six-week on-line course for cross contamination and blood borne pathogen contamination that can result in someone's life being significantly altered. Based on an outdated, 2012 set of 'Guidelines'.
- K. **Remove Cash.** This will benefit the agenda to clean up the industry from associated criminals By using employment as a safety mechanism within this industry. Artists will be more eligible for loans, housing, and normality's. Tattoo shops running in cash, laundering money, and using two set of books to tax evade. Will no longer subjectify its Tattoo artists to the underground atrocities. Freeing them to earn a reasonable living and have a fair contribution to freedoms other employed citizens have.

*The EU Has just demanded the Tattoo Industry come up with safety compliance around tattoo inks as the blue and green pigments have ingredients that can be linked to cancer. The Pigment ban was initiated and implemented on the 4th of Jan 2022. "REACH" compliant Tattoo inks are now being supplied as the industry faces the imposed ban.

We have aftercare and numbing agents available as well as financing for tattoos. Its about time we had an accreditation system and eliminated the risk.

The industry will not 'tidy its-self'.

Support Reference & Excerpts below:

There is more reference available however I am keeping this submission as simple as possible.

- In the last six years my shop has been closed due to loss of paperwork by NSW fair trading, over a 13-x month wait for an operator License, whilst in correspondence with Fair Trading, monthly and hosting a current tattoo artists license since Oct 1st 2013.
- I've had staffing competency hinderances.
- I've had two fully fit out premises, declining my right of renewal due of a lease continuum to hefty insurance premium hikes on the building, because the building harbors a tattoo operation. 2018 & 2020
- I have been declined 50 x premises as a result and forced to open in an industrial area,
 of which I did not have the desire, so I did not loose my locational client base.
- Then again, the premise strata, also increasing the insurance premiums by 12k, passed onto me, within 18 x months.
- Litigators informing me I have no grounds as the industry does not fall under any specific act...
- The NSW Business chamber did not welcome a member from this type of background or head advise
 — Occupational discrimination.
- Risk has obstructed my human rights.

 And now Covid 19 and its complexities of a non-essential operation, therefore, lack of financial support because of this industry's nature. There are no grants. There is no help.
 We are ostracized.

Industry RISK obstructive my business operations, yet again, time and time again. Excerpts from my correspondences are below.

1. Sponsoring and artist

In order to be sponsored on a Subclass 482 or Subclass 186 the nominated occupation must be on the <u>combined list</u>, furthermore the candidate must have the skill set to work within the nominated occupation.

Unfortunately, based on the information provided, would not meet the criteria for sponsorship either on a temporary or permanent basis.

<u>Body Artist</u> (Tattoo Artist) 451814 would be the closest fit for the role on offer & whilst Jim would have the skill set to work in this occupation, it is <u>not</u> a sponsorable occupation.

<u>Retail Manager</u> (Shop Manager) 412111 could also potentially be a fit for the role on offer, but again it is **not** a sponsorable occupation.

- NSW Small Business commissioner 2018
- ... "However, based on your correspondence, your most significant business concern at present appears to be the development and retention of skilled staff.

I am advised that there is currently no accredited training course in NSW for tattoo artists. If you feel there is a strong need for such a course, you are invited to contact the NSW Industry Training Advisory Body (ITAB). The most appropriate ITAB body for tattoo parlours may be the Sport & Recreation, Tourism & Hospitality & Wholesale, and Retail & Personal Services ITAB (known as Skills1Q).

2 - NSW Fair Trading Nov 2016

"Consideration of operator or tattoo license applications require NSW police to make enquiries into the background of each applicant and their close associates. I acknowledge the time it can take to process each application received however, NSW Police are committed to completing assessment process as soon as possible.

I acknowledge your concerns about the difficulties experienced in obtaining suitable experienced staff and advise that currently the license requirements are based on the fitness and propriety of the applicant and their close associates rather than the applicant's skill and experience. I also acknowledge your concerns regarding the cost involved for a tattoo and operators license however the fees are set by the legislation."

3 "Our ref M20/9312

Dear Ms Armstrong

I appreciate you taking the time to write to me about your experience.

The Public Health Act 2010 requires skin penetration operators (including tattooists) to notify the local government authority of the premises where they operate. Complaints about unregistered backyard operators and operators with unsatisfactory hygiene and infection control practices can be made to the appropriate local government authority, who are able to investigate and take action to correct non-complying situations.

The Public Health Regulation **2012** details the hygiene and infection control requirements with which tattooists must comply. NSW Health has developed educational material to assist the tattoo industry in complying with the legislation.

This can be accessed athttps://www.health.nsw.gov.au/environment/skinpenetration/Pages/default.aspx. Yours sincerely

Dr Richard Broome Acting Executive Director Health Protection NSW

Date: 13 July 2020"

- 4 A. Peter was an authority throughout the conversation and talked over me. His tone was belittling and he told me bluntly to be honest I'm not going to get a license in the next few days -that's a fact!

 A. Now I emailed the cops yesterday to say look at what is happening. They replied and said they hoped to get through soon... There is nothing we can do, there is no way. I don't think you're going to get it forthe next week to be honest with you..
 - Q. (Me)That's taken over 13 months
 - A. We're aware of that.
 - Q. (Me)Next week I'll let you know what's going to happen; Monday I'm not going to be able to pay rent, Tuesday I'm not going to be able to pay my car, things are going to un-spiral for me very quickly.
 - A. Well I'm sorry to her that Erika but there is really nothing I can do about it.
 - Q. (Me) Yes but Peter there has got to be some accountability here... I have done absolutely everything I can to finalise everything for my operator license... There is no reason in the world for me to not be granted my operational license...
- 5 https://www.smallbizmatters.com.au/blog/compliance-on-steroids (Radio Interview about the ordeal)
- Many tattoo shops that are owned by gangs are simply placed in other people names, so the legislation implemented to clean up the industry is not working. For other points of view please see this link: http://www.australiantattooistsguild.com/impact-statements "No studios have been closed (OMGS) and ones that are still open have "sold" them to relatives or apprentices." Additional Coast Tattoo, QLD
- 7 Hi Erika,

I've reached out to and also a friend in the business insurance space. Both have come back asking what has been the feedback form your Industry

Association http://www.bpaa.com.au/ and http://www.australiantattooistsguild.com/ As the industry body they would surely have the best insurance deal lined up for their members and industry right?

We're interested to hear what your associations have to say.

Keep on your local representative, he's your inside person down there in Macquarie Street who can keep bringing this up.

From: atgpres@gmail.com

Sent: Thursday, 2 June 2016 12:14 PM

To: Erika Armstrong

Cc: 'Duncan Burck' (Duncan.Burck@australianbusiness.com.au) info@bpaa.co.au

Hi Erika.

the government has nothing to do with Insurance premiums or the ways they are set.

Although the Insurance industry is regulated by APRA here is little to no regulation of the ways in which the premiums are founded

There is little the government or the ATG can do to affect the way the insurance industry comes up with their premiums based on 'risk assessment' other than to continually promote better practice and higher professional standards within the tattoo industry which is what the ATG is doing.



Dear Ms Armstrong

I refer to your correspondence to The Hon Matthew Kean MP, Minister for Innovation and Better Regulation, regarding your feedback and concerns with the Tattoo industry.

Tattoo Parlours Act 2012 (the Act) falls within the portfolio of The Hon Matthew Kean MP, Minister for Innovation and Better Regulation, who has referred your correspondence to me, as the Director of Customer Experience.

Regulation of tattoo parlours in NSW is the responsibility of both NSW Fair Trading and NSW Police. Fair Trading is the licensing authority for the tattoo industry, and NSW Police is the regulator.

Under the strict licensing regime imposed by the Act, Fair Trading must refer all new licence applications to the NSW Police for an investigation and determination as to either or both of the following:

- (i) whether the applicant is a fit and proper person to be granted the licence, and
- (ii) whether it would be contrary to the public interest for the licence to be granted.

Consideration of operator or tattoo licence applications require NSW Police to make enquiries into the background of each applicant and their close associates. I acknowledge the time it can take to process each application received however, NSW Police are committed to completing assessment process as soon as possible.

I acknowledge your concerns about the difficulties experienced in obtaining suitable experienced staff and advise that currently the licence requirements are based on the fitness and propriety of the applicant and their close associates rather than an applicant's skill and experience. I also acknowledge your concerns regarding the cost involved for a tattoo and operator's licence however, the fees are set by the legalisation.

I understand that an officer from Customer Experience contacted you to discuss all your concerns. If you have any further queries, I encourage you to contact Rita Rehayem of Fair Trading on (02) 9619 8656.

Yours Sincerely,

Tina Dougherty

Director for Customer Experience

NSW Fair Trading

14 November 2018



Small Business Commissioner Level 48, MLC Centre, 19 Martin Place, Sydney NSW 2000 GPO Box 5477, Sydney NSW 2001 T 1300 795 534 www.smallbusiness.nsw.gov.au

MF18/3252

Ms Erika Armstrong Black Widow Tattoo & Kustom Via email: blackwidowtattoo@outlook.com

Dear Ms Armstrong

Thank you for your email of 25 October 2018 regarding a range of issues currently being faced by your business. I note that your email was addressed to the Hon Matt Kean, Minister for Innovation and Better Regulation, who forwarded it to the Hon John Barilaro, as Minister for Small Business and Minister for Skills; as well as to my office. Please accept this as a response to both.

As you would be aware, the NSW tattoo parlour industry has been regulated in NSW since 2012, the chief driver for this action being a desire to address significant evidence of organised criminal gang activity in tattoo parlours. I can understand the additional regulatory requirements that this change brought with it must have been frustrating for you and your business. This licensing regime was never designed to assess competency of tattoo artists, and I am advised this is unlikely to change.

I understand the *Tattoo Parlours Act 2012* is currently being reviewed by the Office for Police, within the Department of Justice and that the consultation process is now closed. Whilst some change may result from this process, this is unlikely to progress until mid-2019 at the earliest.

However, based on your correspondence, your most significant business concern at present appears to be the development and retention of skilled staff.

I am advised that there is currently no accredited training course in NSW for tattoo artists. If you feel there is a strong need for such a course, you are invited to contact the NSW Industry Training Advisory Body (ITAB). The most appropriate ITAB body for tattoo parlours may be the Sport & Recreation, Tourism & Hospitality & Wholesale, Retail & Personal Services ITAB (known as SkillslQ). For more information on ITABs and their functions, please visit the link below.

https://www.training.nsw.gov.au/programs_services/funded_other/itab/index.html

In relation to your concerns regarding current immigration policy and requirements, this is the responsibility of the Commonwealth Department of Home Affairs and your queries are best directed to them. You can contact the Department on 131 881.







Ms Erika Armstrong
Black Widow Tattoo & Kustom
BlackWidowTattoo@outlook.com

Our ref M20/9312

Dear Ms Armstrong

Thank you for your correspondence to the Hon. Kevin Anderson MP, Minister for Better Regulation and Innovation, who has referred your email to the Hon. Brad Hazzard MP, Minister for Health and Medical Research. Minister Hazzard has asked me to respond on his behalf, as infection control practices at skin penetration premises is within his portfolio of responsibilities.

I appreciate you taking the time to write to me about your experience.

The Public Health Act 2010 requires skin penetration operators (including tattooists) to notify the local government authority of the premises where they operate. Complaints about unregistered backyard operators and operators with unsatisfactory hygiene and infection control practices can be made to the appropriate local government authority, who are able to investigate and take action to correct non-complying situations.

The Public Health Regulation 2012 details the hygiene and infection control requirements with which tattooists must comply. NSW Health has developed educational material to assist the tattoo industry in complying with the legislation. This can be accessed at https://www.health.nsw.gov.au/environment/skinpenetration/Pages/default.aspx.

The Public Health (COVID-19) Orders outline the COVID-19 risks which must be addressed by businesses, including the development of a COVID Safety Plan. A plan has been developed for beauty and other services (including tattooists) and is available on the NSW Government website at www.nsw.gov.au/covid-19/industry-guidelines/beauty-and-other-services. Concerns regarding compliance with the Orders can be directed to Service NSW.

If you would like more information, please contact Geoffrey Prendergast, Manager, Environmental Health Regulation Unit, Environmental Health Branch, at Geoffrey.Prendergast@health.nsw.gov.au or on 9424 5981.

Yours sincerely

"As a business owner, you have the right to run your business in any manner you see fit, as long as you are not in violation of any applicable state or federal laws. The only factors that limit the success of your business are your ingenuity and your commitment to achieving the goals you establish."

Eríka B Armstrong of Black Widow Tattoo Gold Coast.