

Government provides special further support to tourism-related sectors

The Government announced today (August 5) that a provision of about \$377 million will be earmarked under the Anti-epidemic Fund (AEF) for providing special further support to the tourism and related sectors, as well as the cross-boundary passenger transport trade, which are still seriously affected by the negative impact of the COVID-19 epidemic.

"The tourism industry has been the hardest hit sector in the past two years or so since the social unrest and violent incidents in the second half of 2019 and the COVID-19 outbreak thereafter. Restrictions on cross-boundary/border travel and anti-epidemic measures implemented by various places have ground the tourism industry to a halt, resulting in related sectors such as cross-boundary transport, hotel and retail being seriously affected as well. They have all yet to recover up till now," the Secretary for Commerce and Economic Development, Mr Edward Yau, said.

"During the past period of time, the Government has, through various rounds of the AEF, provided financial support to the tourism-related industry and cross-boundary passenger transport trade. At times when the epidemic situation in Hong Kong has stabilised, the Government has also been actively creating room for business for the tourism industry, including enabling the resumption of local tours and 'cruise-to-nowhere' itineraries, as well as exploring the arrangements of establishing 'travel bubbles' with other economies," Mr Yau said.

"Despite our efforts, with the epidemic still widely affecting the world, cross-boundary/border travel can hardly be resumed in the near term. Taking into account the grave challenges faced by the tourism industry continuously, the Government has decided to provide a round of special further subsidies to continue to support the relevant trades and tide over practitioners during this challenging period," he said.

The Government will provide a new round of special further cash subsidies to the travel trade and practitioners as follows:

(1) travel agents: travel agents with 10 or less staff members will be provided with a subsidy at a flat rate of \$50,000 each; for travel agents with 11 staff members or more, the subsidy level will be directly proportional to the number of staff members they have, with a subsidy level of \$5,000 per staff member as the basis of calculation. Some 1 600 travel agents are expected to benefit from this measure;

(2) travel agents' staff and freelance accredited tourist guides and tour escorts whose main occupation is tourist guide and tour escort: a one-off subsidy of \$7,500 will be provided to each travel agent's staff member and freelance accredited tourist guide and tour escort. Some 18 400 persons are expected to benefit from this measure; and

(3) drivers of tour service coaches mainly serving tourists: a one-off subsidy of \$3,350 will be provided to each tour service coach driver. Some 3 400 drivers are expected to benefit from this measure.

Moreover, the Government will provide further financial support to the cross-boundary passenger transport trade as follows:

(1) cross-boundary coaches (CBCs): to provide a one-off non-accountable subsidy of \$30,000 per CBC to the registered owner of each licensed CBC (including port shuttle buses). About 1 500 CBCs are expected to benefit from this measure;

(2) cross-boundary hire cars (CBHCs): to provide a one-off non-accountable subsidy of \$30,000 per CBHC to the registered owner of each licensed CBHC. About 600 CBHCs are expected to benefit from this measure; and

(3) cross-boundary ferries (CBFs): to provide a one-off non-accountable subsidy of \$500,000 to each eligible CBF vessel. About 80 CBFs are expected to benefit from this measure.

For travel agents or practitioners who are eligible for and have been granted subsidies in the last round of the Tourism Industry Additional Support Scheme, they are eligible for this new round of special further cash subsidies and need not submit applications afresh. The Tourism Commission (TC) will send SMS notifications to inform them of the subsidy disbursement arrangements. The first subsidy payments are expected to be made starting from early September. If eligible persons need to update their bank account information for subsidy collection, please contact the TC on or before August 20, 2021. Details of the new round of the scheme are available at the TC's website (www.tourism.gov.hk).

As regards the support for the cross-boundary passenger transport trade, the Transport Department and Marine Department will issue notification letters to each of the eligible registered owners of CBCs and CBHCs/CBF operators on details of the relevant subsidies. It is expected that payments can be disbursed within one to two months upon receipt and verification of the applications.