

LCQ1: Support for tourism industry

Following is a question by the Hon Holden Chow and a reply by the Secretary for Commerce and Economic Development, Mr Edward Yau, in the Legislative Council today (September 8):

Question:

Hong Kong's tourism industry has been on its last legs since the outbreak of the coronavirus disease 2019 epidemic. Members of the tourism industry look forward to an expeditious resumption of normal traveller clearance between Hong Kong and the Mainland, so that the flow of people between the two places will return to normal and the hardship of the tourism industry will be relieved. Regarding the support for the tourism industry, will the Government inform this Council:

(1) of the latest progress of the discussions between the Government and the Mainland authorities on the resumption of normal traveller clearance, including whether adoption of the traveller clearance arrangements between the Mainland and Macao (which have been proved effective) has been considered, so as to facilitate the flow of people between the two places and help Hong Kong's tourism industry recover;

(2) given that the disbursement of a new round of cash allowances for travel agents and practitioners of the tourism industry as announced by the Government last month is one-off in nature, and that the 2 000 temporary positions created for practitioners of the tourism industry will be cancelled following the progressive closure of the community vaccination centres, of the new measures put in place by the Government to support travel agents and practitioners of the tourism industry to tide over the difficulties; and

(3) as mutant strains with higher transmissibility may cause the epidemic all over the world to persist for a long period of time, whether new measures are in place to make good use of the currently excessive human resources arising from the standstill of the tourism industry, and to provide more temporary positions and vocational training for practitioners of the tourism industry; if so, of the details?

Reply:

President,

In respect of the three questions raised by the Hon Holden Chow, having consulted the Constitutional and Mainland Affairs Bureau, the Civil Service Bureau and the Labour and Welfare Bureau, my consolidated reply is as follows:

(1) The Government understands the importance of early resumption of normal cross-boundary activities with the Mainland and Macao. To achieve this goal

early, the Government has all along been stringently controlling the epidemic situation and speeding up vaccination for members of the public, and on the other hand, maintaining close liaison with the Mainland and Macao to actively explore the gradual resumption of normal cross-boundary activities amongst the three places in an orderly manner, on the premise that the epidemic situation in the three places is under control and there will not be additional public health risks posing on the three places.

Along this direction, the Return2hk Scheme has resumed in full today, while the Chief Executive has also announced yesterday the launch of the Come2hk Scheme next week, which will allow non-Hong Kong residents from Guangdong Province and Macao coming to Hong Kong without being subject to compulsory quarantine, with a view to further resuming cross-boundary activities between Hong Kong and the Mainland.

(2) The tourism industry is undoubtedly the hardest hit sector under the prolonged epidemic situation. The Government has therefore provided support to the trade in various ways. Since 2020, the Government has launched five rounds of schemes through the Anti-epidemic Fund (AEF) to provide direct financial support to the tourism industry with a cumulative funding commitment amounting to around \$2.6 billion, benefitting over 1 700 travel agents, and around 21 000 practitioners including travel agent staff, tourist guides, tour escorts, and drivers of tour service coaches. Therefore, the support is not one off in nature. In fact, as just announced in August, the latest round of support measures for the tourism industry is a targeted arrangement offered by the Government having regard to the continuous difficulties faced by the tourism industry.

Apart from providing direct financial support, the Government has increased the financial commitment for the Travel Agents Incentive Scheme and the Green Lifestyle Local Tour Incentive Scheme (GLIS) to around \$150 million and \$100 million respectively. The GLIS has received active response from the trade especially during the summer holiday in July and August. The scheme has received applications from over 410 travel agents involving subsidy amount close to \$28 million, which reflects that the scheme can bring assistance to the trade.

In addition, the Government just announced in the end of last month the extension of waivers/concessions of various government licence fees and charges till end-September 2022, and that an additional \$35 billion will be injected to the Special 100 per cent Guarantee Product under the SME Financing Guarantee Scheme while the application period will be extended to end-June 2022. The tourism industry can also benefit from these two measures.

On the other hand, during the past one and a half year, at times when the epidemic situation has improved, the Government would actively try to expand the room for business for the tourism industry on the premise of containing the epidemic.

Since end-April, the Government has allowed the resumption of organising local group tours of 30 persons or below with conditions. Since end-June, the

restriction on the number of participants for group tours with two-thirds of the participants having received the first dose of COVID-19 vaccine has been relaxed to 100 persons.

Besides, "cruise-to-nowhere" (CTN) itineraries for Hong Kong residents which do not involve ports outside Hong Kong resumed in end-July. As at yesterday, 17 calls have departed, serving nearly 22 000 passengers. The second cruise ship operating CTN itineraries is also planned to resume service in October. All these will certainly help the tourism trade.

The Hong Kong Tourism Board (HKTB) has also launched five rounds of the "Free Tour" and "Staycation Delights" programmes in total, providing support of around \$45 million to the tourism industry. The latest programmes include the launch of the "Free Tours Lucky Draw" in August offering 20 000 reward quotas of free local tours to Hong Kong citizens who have received the first dose of COVID-19 vaccine, as well as the second round of "Staycation Delights" reward with a total of 20 000 quotas.

(3) The Government has earmarked funding under the AEF in this and last year for creating time-limited jobs in two phases under the Job Creation Scheme.

The Government has, taking into account the underemployment situation of the tourism industry and upon the proposal put forth by the trade, proactively employed around 1 800 practitioners of the tourism industry under the second phase of the Job Creation Scheme for providing operational and administrative support services at the community vaccination centres.

On the other hand, the Employees Retraining Board (ERB) currently provides around 700 training courses to upgrade the employment-related skills of the unemployed. Starting from October 2019, the ERB has also launched the Love Upgrading Special Scheme offering a quota of 60 000 trainees in total. Trainees who have completed the relevant training courses can receive training allowance up to \$5,800 per month, among which the placement-tied courses would also offer follow-up placement services for the trainees. As at end-June, about 5 800 trainees with present or recent employment in the tourism industry enrolled in training courses under the Love Upgrading Special Scheme, accounting for around 7.6 per cent of the total number of trainees enrolled during the period.

President, the Government will continue to support the tourism industry on various fronts, maintain liaison with the trade, and put in place appropriate measures to assist them to tide over this challenging time.

Thank you, President.