

LCQ13: Provision of assistance for industries affected by the epidemic

Following is a question by the Hon Starry Lee and a written reply by the Secretary for Food and Health, Professor Sophia Chan, in the Legislative Council today (March 17):

Question:

To cope with the Coronavirus Disease 2019 (COVID-19) epidemic, the Government has invoked, on a number of occasions since March last year, the Prevention and Control of Disease (Requirement and Directions) (Business and Premises) Regulation (Cap. 599F) to direct various types of scheduled premises to suspend operation on specified dates, with the period of suspension ranging from 44 to 200-odd days in total. Some operators of such premises have indicated that as they still need to meet expenses such as rent despite suffering substantial reduction of income, they are now at the end of their tether and on the brink of closing down. They have also pointed out that the Government did not make decisions on whether the scheduled premises were required to suspend operation on the basis of objective criteria. For instance, cinemas, where only passive activities are involved and customers can wear a face mask at all times, have been required to suspend operation for a greater number of days than swimming pools, where active activities are involved and customers can hardly wear a face mask. In this connection, will the Government inform this Council:

(1) whether it will revise its current practice and make decisions as to whether the various types of scheduled premises are required to suspend operation on the basis of the risk of epidemic spreading; if so, of the details; if not, the reasons for that;

(2) whether it will discuss separately with the operators of various types of scheduled premises to tailor-make appropriate epidemic prevention arrangements (e.g. arranging for staff to undergo COVID-19 testing, cleaning up and disinfecting venues, registering customer information) on the basis of the characteristics of the activities conducted on the scheduled premises, so that such premises will not be required to suspend operation for epidemic prevention reasons; if so, of the details; if not, the reasons for that;

(3) as the Singapore Government has enacted legislation on temporary measures to stipulate that a tenant of a non-residential property who is unable to pay rent mainly due to the COVID-19 epidemic may suspend rent payment upon serving a notification on its landlord, and the landlord may not, on account of this, commence legal proceedings or terminate the lease, whether the Government will study (i) introducing a similar scheme of "rent holidays" for the scheduled premises, or (ii) encouraging, through provision of financial incentives, the landlords to grant rent cuts, so as to relieve the financial pressure on the operators concerned; if so, of the details; if not, the

reasons for that; and

(4) given that the scheduled premises have suffered substantial income loss due to suspension of operation or reduction of business hours pursuant to the relevant directions, whether the Government will provide further financial support for the operators concerned so as to relieve their financial pressure; if so, of the details; if not, the reasons for that?

Reply:

President,

In consultation with the Commerce and Economic Development Bureau, Financial Services and the Treasury Bureau and Human Resources Planning and Poverty Co-ordination Unit of the Chief Secretary for Administration's Private Office, my consolidated reply to the various parts of the question raised by the Hon Starry Lee is as follows:

(1) and (2) Social distancing measures can effectively prevent the spread of the virus in the community and are an integral part of infection control measures. The implementation of stringent and decisive social distancing measures was the key to the Government's success in containing the third wave of the epidemic. In particular, the Prevention and Control of Disease (Requirements and Directions) (Business and Premises) Regulation (Cap. 599F) regulates the mode of operation of catering business and 15 types of scheduled premises. The Government has all along been adjusting our social distancing measures in a decisive and prompt manner, after balancing factors such as the protection of public health, impact on the economy and social acceptance having regard to the development of the epidemic situation. At the peaks of the previous waves of the epidemic, in order to control the epidemic situation decisively, the Government's major considerations when tightening social distancing measures (including requiring scheduled premises to close) were the latest overall situation of the epidemic and risk assessments, with a view to reducing social contacts and cutting the transmission chain at an early stage as soon as possible.

The Government understands that some premises under Cap. 599F have already suspended operation for a period of time and are facing considerable difficulties and the unemployment situation of many sectors is deteriorating. At the same time, having been engaged in the efforts to fight the epidemic for months, public adherence to social distancing measures has notably declined. Despite the severe epidemic situation earlier, there were still a large number of people out and about, and many continued to participate in cross-family gatherings. In light of the above, and having considered factors including economic situation and social acceptance, the Government has already announced that we would adopt a more precise approach in adjusting the social distancing measures, with a view to allowing resumption of normal life as soon as possible while minimising the impact on economic activities and the sectors involved.

The fourth wave of the epidemic has been gradually subsiding earlier.

Having regard to the developments of the epidemic situation and risk assessments at the time, the Government had started to gradually relax social distancing measures with conditions since February 18 by reopening seven types of scheduled premises (viz. amusement game centre, fitness centre, place of amusement, place of public entertainment, beauty parlour, massage establishment and sports premises), as well as extending the period during which catering businesses may provide dine-in services to end at 10pm and increasing the number of persons per table to up to four. Compared with the relaxation of social distancing measures when the third wave of the epidemic came under control, the Government has already relaxed the relevant measures to a greater extent this time in order to resume social and economic activities as soon as possible while the epidemic situation permits.

The above relaxation of social distancing measures was based on the ongoing close communications that the Government had with the catering businesses and sectors relevant to the scheduled premises, where we understood that they were willing to proactively comply with the Government's anti-epidemic measures. In order to reduce the risks of virus transmission at the relevant premises after the relaxation of the social distancing measures, the responsible persons of the premises must adopt two new infection control measures as follows –

Measure (a): ensure that users scan the "LeaveHomeSafe" venue QR code using the "LeaveHomeSafe" mobile application on their mobile phones or register their names, contact numbers and the dates and times of their visits before they are allowed to enter the premises, with records to be kept for 31 days; and

Measure (b): arrange for all staff involved in the operation of the premises to undergo a polymerase chain reaction-based nucleic acid test for COVID-19 once every 14 days and ensure that the staff keep records of every SMS notification containing the result of the test for 31 days.

Taking into account the risks of catering business and scheduled premises, the Government has expanded the priority groups under the COVID-19 Vaccination Programme to cover staff of these premises since March 8. We appeal to the operators and staff of these premises to get vaccinated as soon as possible in order to protect themselves and others. If the overall uptake rate of the COVID-19 vaccine is satisfactory, together with the general public working together to strictly observe other anti-epidemic measures (such as wearing of masks, using the "LeaveHomeSafe" mobile application, etc.), the restrictions on restaurants and other commercial premises can be considered to be further relaxed, and the currently closed premises can be considered to resume business. The greater the number of people getting vaccinated, the better the protection effect for society as a whole and for high-risk persons. There will also be greater room for resuming normal social and economic activities.

In addition, the Government has also required individual premises to adopt different infection control measures having regard to their respective operating characteristics. For instance, in view of the recent cluster in

eateries, in order to step up infection control measures of eateries, the Government has required, starting from March 4, all catering business to arrange, if practicable, dedicated staff for clearing used utensils and cleaning and disinfecting used tables and partitions or suitably adopt hand hygiene measures. In view of the recent large-scale cluster outbreak in a fitness centre, we have tightened the infection control measures in fitness centres with immediate effect from March 12, reinstating the mask-on requirement, in order to contain the epidemic.

The Government will continue to closely monitor the latest development of the epidemic situation as well as the progress of the vaccination programme and its effect on disease prevention and control, review from time to time and suitably adjust the social distancing measures. We will, having regard to the development of the epidemic situation and subject to the epidemic situation coming under control and continuing to subside, continue to relax social distancing measures in a gradual and orderly manner by phases in a more precise approach. The Government will also continue to maintain close communication with the relevant trades, listen to their views and suggestions on the implementation of anti-epidemic measures at the relevant premises, as well as provide more details on the implementation of the measures.

(3) To support enterprises, the Government continues to grant the 75 per cent rental or fee concession currently applicable to eligible tenants of government properties and eligible short-term tenancies and waivers under the Lands Department for six months starting from April 2021. During the period, tenants who have to close their properties at the request of the Government will continue to receive full rental waiver for the duration of the closure. The Government appeals to public bodies to follow suit and provide rental concession to their tenants.

(4) Having regard to the fact that scheduled premises and catering outlets were ordered to close or reduce their operating hours, the Government introduced different measures under the second-, third- and fourth-round Anti-epidemic Fund (AEF) to provide financial relief to these premises and catering outlets, with a total financial commitment of over \$15 billion.

In the past year, the Government increased government expenditure substantially to combat the epidemic and roll out relief measures, with measures launched under the AEF and last year's Budget exceeding \$300 billion in total. The Government forecast a budget deficit of some \$250 billion for 2020-2021. The Government will closely monitor the development of the epidemic situation and continue with the anti-epidemic efforts to suppress the epidemic so that our economic activities and daily lives could resume normal as soon as possible. Meanwhile, the AEF Steering Committee will continue to optimise the remaining balance of the AEF based on the proposals put forth by the relevant bureaux/departments, having regard to the development of the pandemic, views from various industry stakeholders and their actual business situation.

On the other hand, to assist small and medium enterprises (SMEs) hard

hit by the COVID-19 epidemic in coping with cash flow problems, the Government launched on April 20, 2020 the Special 100% Guarantee Product under the SME Financing Guarantee Scheme to provide low-interest concessionary loans. As at end February 2021, \$45.33 billion of loans were approved, benefitting over 21 000 enterprises, involving over 268 000 employees. As the epidemic has been lingering on for over one year, to continue to relieve the cash flow pressure of SMEs, the Financial Secretary announced in the 2021-22 Budget that the Government would extend the application period of the Special 100% Guarantee Product to December 31, 2021; further increase the maximum loan amount per enterprise from the total amount of employee wages and rents for 12 months to that for 18 months, with the ceiling increasing from \$5 million to \$6 million; extend the maximum repayment period from five years to eight years; and extend the maximum duration of principal moratorium from 12 months to 18 months.