

LCQ4: New norm of tourism industry

Following is a question by the Hon Yiu Si-wing and a reply by the Secretary for Commerce and Economic Development, Mr Edward Yau, in the Legislative Council today (June 2):

Question:

It has been reported that the Chief Executive Officer of the International Air Transport Association indicated in April this year that no trend of recovery could be seen in the international tourism market for the moment. There are comments that various countries are opening up their borders only to those international travellers who have been vaccinated against the Coronavirus Disease 2019 and have obtained a negative result of virus testing, and such practice will become a new norm of the tourism industry. In this connection, will the Government inform this Council:

(1) given that the Development Blueprint for Hong Kong's Tourism Industry promulgated in 2017 formulated the short, medium and long term tourism initiatives and measures for the coming five years, whether the Government will update the Blueprint in the light of the blow dealt by the epidemic, so as to help members of the tourism industry to prepare adequately for the new norm of the industry and seize the opportunities; if so, of the details; if not, the reasons for that;

(2) whether it has assessed the long-term impacts of the epidemic on the cross-boundary sea, land and air transport as well as the tourism, hotel and retail industries, and the difficulties that such industries will face in the coming few years under the new norm of the tourism industry; if it has assessed, of the details; if not, the reasons for that; and

(3) whether it has formulated measures to provide appropriate support for members of the tourism industry under the new norm of the industry; if so, of the details; if not, the reasons for that?

Reply:

President,

Affected by the COVID-19 epidemic, cross-border / boundary travel around the world has been grounded to a halt, which consequentially dealt a heavy blow to tourism and other related industries such as cross-border / boundary transportation, hotel, and retail industries. Over the past year, there were only about 200 visitor arrivals per day on average, much lower than the level before which has 150 000 visitor arrivals per day.

In order to assist the travel trades in tiding over this challenging time, the Government has implemented various measures through the Anti-epidemic Fund (AEF) and other different channels and increase the funding

commitment of the Travel Agents Incentive Scheme and the Green Lifestyle Local Tour Incentive Scheme (GLIS). The cumulative commitment for supporting the trade, which accounts for about \$2.6 billion in total, has generally assisted over 1 700 travel agents, around 21 000 practitioners including travel agent staff, tourist guides, tour escorts, and drivers of tour service coaches, as well as 2 100 guesthouses, hotels, and the cruise industry. Recently, noting that some practitioners may not have jobs at the moment, the Government has also provided over 1 700 short term jobs for practitioners in the travel trade to assist at the community vaccination centres.

In consultation with the relevant policy bureaux, my reply to the three parts of the question raised by the Hon Yiu Si-wing is as follows:

(1) The Government promulgated the Development Blueprint for Hong Kong's Tourism Industry (Development Blueprint) in October 2017 with a view to strengthening the competitiveness of Hong Kong as a major tourist destination in the region. The Development Blueprint sets out some development strategies and various measures in the short, medium to long term. The directions set out in the Development Blueprint have certain roles to play in the tourism development of Hong Kong in the medium to long term and still remain meaningful for the post epidemic recovery. Yet, in view of the blow caused on the tourism industry by the epidemic, we have made adjustment under the framework of the Development Blueprint, such as strengthening the work on promoting cultural, heritage, green, and creative tourism in the recent two years, with a view to meeting the general public's keen demand for local tourism at the moment.

Looking ahead, both the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area and the Culture and Tourism Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area promulgated in February 2019 and December 2020 respectively provided additional business opportunities and directions for the development of tourism. The Government will follow the relevant development directions and upgrade and enhance local tourism resources, with a view to further strengthening Hong Kong's position as a hub for multi-destination tourism and international tourism when the epidemic stabilises.

In addition, the Hong Kong Tourism Board (HKTB) has been constantly adjusting their promotion and marketing strategies with innovative ideas according to the development of the epidemic. Before the resumption of cross-border / boundary travel, the HKTB will continue to leverage the "Holiday at Home" platform for promoting discounts and experiences offered by local retail, dining, attractions, hotels, etc., and boosting local travel consumption. Over the past year or so, the HKTB maintained Hong Kong's exposure in international travelling market through various means in order to bring back visitors as quickly as possible when the outbreak subsides, an example of which was the "#Miss You Too" promotion campaign rolled out in April 2020 which had successfully reached 35 million viewers worldwide.

In the medium to long term, the HKTB will continue to collaborate with other Guangdong-Hong Kong-Macao Greater Bay Area (GBA) cities to pool

resources to build the GBA tourism brand. The HKTB is also conducting a holistic review of Hong Kong's tourism brand and positioning, so as to formulate long term promotion strategies and launch new products and promotional campaign in source markets worldwide to re-build Hong Kong's tourism image.

(2) and (3) As to other travel-related sectors, the Government has launched various relief measures, including the provision of a one-off subsidy of \$80,000 to eligible retail stores through the AEF amounting to a total of about \$5.5 billion, the provision of one-off subsidies to local airlines, aviation support services and cargo facilities operators, as well as waiver or reduction in various fees and charges by the Government and the Airport Authority Hong Kong totaling \$9.5 billion, and the provision of non-accountable subsidies of \$0.28 billion for eligible cross-boundary coaches, hire cars and ferries as well as subsidies for drivers of cross-boundary coaches.

On the other hand, with the stabilisation of the epidemic, the Government is striving to explore bigger room for operation for the tourism trades by striking a balance between fighting the epidemic and resuming economic activities. For example, we have been working towards the resumption of cross-border / boundary travel and the establishment of Air Travel Bubble, the resumption of local group tours, the launch of the "Free Tour" programme continuously and the extended implementation of the GLIS, as well as the reopening of theme parks so that more tourist spots are available for tourism promotion. We have recently announced the resumption of "cruise-to-nowhere" itineraries at end-July 2021 the earliest. These are all the short-term measures to bring temporary relief for the tourism trade. The Government will continue to closely monitor the epidemic situation worldwide and liaise with the trade, with a view to preparing for the recovery of tourism industry.

Thank you, President.