

LCQ4: Support for tourism industry

Following is a question by the Hon Yiu Pak-leung and a reply by the Secretary for Commerce and Economic Development, Mr Edward Yau, in the Legislative Council today (January 19):

Question:

Some practitioners of the tourism industry have relayed that the industry has been hard hit by the Coronavirus Disease 2019 epidemic. Although the Chief Executive has recently announced the launch of the fifth-round measures under the Anti-epidemic Fund to assist those industries affected by the epidemic, such measures are just a drop in the bucket to the tourism industry. The tourism industry hopes that the Government will conduct policy planning and provide continuous support for the industry in a systematic manner, so as to expand the room for business for the industry as far as possible. In this connection, will the Government inform this Council:

(1) given that the Government has again tightened the anti-epidemic measures, and that various tourism-related activities have to be suspended causing the industry to suffer heavy losses, whether the Government will draw up criteria for the expeditious resumption, upon easing of the epidemic situation, of tourism activities such as local tours, "cruise-to-nowhere" travel and the "Free Tour" programme; if so, of the details; if not, the reasons for; and

(2) whether it will, by drawing reference from the earlier practice of offering short-term jobs to tourism practitioners, consider creating temporary posts related to anti-epidemic work or guided tours for local hotspots for frontline tourism practitioners who are underemployed, so as to retain talents for the tourism industry; if so, of the details; if not, the reasons for that?

Reply:

Acting President,

Thank you for the Hon Yiu Pak-leung's questions.

With the continuous outbreak of COVID-19 worldwide, both outbound and inbound tourism has remained at a standstill.

The Government fully understands that tourism is the most affected industry, and has been supporting the trade in various ways.

To cope with the harsh business environment, the Government has so far provided financial support of over \$3.42 billion to the trade. Premising on the effort to contain and combat the epidemic, the Government has also been striving to open up room for the operation of the tourism industry, including the following measures to support the trade when the epidemic situation was

relatively stabilised in the past year.

Two theme parks, organisation of local group tours as well as "cruise-to-nowhere" itineraries were allowed to re-open or resume conditionally, and the admission or relevant participant capacity was gradually relaxed.

The Hong Kong Tourism Board (HKTB) rolled out five rounds of "Free Tours" and "Staycation Delights" to encourage the public to spend locally and experience local tourism.

The Green Lifestyle Local Tour Incentive Scheme (GLIS) was extended to open up more extensively tourism themes and attractions, and promoting local tourism in the long run, etc.

On subsidies, coupled with the latest round of the scheme supporting the tourism industry announced last Friday, the Government has rolled out a total of six rounds of direct subsidies to the travel trade under the Anti-epidemic Fund (AEF). In addition, the Government provided support to the trade through the topped-up GLIS in the latest round of the AEF and the Travel Agents Incentive Scheme .

Reply to the two parts of the question raised by the Hon Yiu Pak-leung is as follows:

(1) In view of the latest development of the epidemic situation, the Government announced on January 5 and January 14, 2022, the tightening of social distancing measures with effect from January 7 and their extension until February 3 respectively with a view to containing the latest wave of the epidemic as early as possible. Some tourist facilities and activities, including theme parks, local tours and "cruise-to-nowhere" itineraries, as well as other premises have to be temporarily closed or suspended from service.

On January 14, the Chief Executive announced the sixth round of measures supporting the tourism industry under the AEF, the \$570 million support includes the provision of \$270 million cash subsidies to the travel trade and injection of \$300 million to extend GLIS.

As mentioned above, apart from providing support to the trade, the Government has also been encouraging and assisting the trade to open up and expand the market, in particular the local market before the recovery of cross-boundary/border travel. The Government is delighted to see that the scheme on green local tours is welcomed by the trade and the public. As at the end of last year, about 700 travel agents have applied for the scheme, accounting for about half of the total number of licensed travel agents, and the subsidy involved has almost reached the scheme's original ceiling of \$100 million.

The announcement made last Friday on the injection of \$300 million to the scheme has responded to the call from trade and made better preparation for the recovery of the industry.

The measures mentioned above aim at helping the tourism industry expeditiously resume their businesses upon easing of the epidemic situation. Nevertheless, the control and development of the epidemic situation is the prime consideration of how and when to resume.

(2) To relieve the unemployment situation owing to the epidemic and the anti-epidemic measures, the Government has created time-limited jobs under the AEF in 2020 and 2021. Under the second phase of the Job Creation Scheme, we have proactively employed around 1 900 practitioners of the tourism industry to assist in operational and administrative support services at Community Vaccination Centres, vaccination centres at public hospital and Mobile Vaccination Stations set up by the Government. We will look for similar opportunities and consider using similar ways to assist practitioners of the trade.

In addition, the subsidy for local tour scheme indirectly and directly provides more job opportunities to the trade.

We understand that what the industry hopes for the most at the moment is the resumption of cross boundary travel with the Mainland and Macao as soon as possible when the epidemic has stabilised, and that to be followed gradually by the same with overseas economies. It is expected that with the gradual recovery of cross-boundary/border travel, the mode of tourism around the globe may become different from the current mode. When planning itineraries in future, travellers may consider more elements including the risks of epidemic and the required arrangements including testing and quarantine, which may incur potentially higher costs. Competition to attract tourists will also become more intense than before.

If Hong Kong is to compete with the rest of the world for tourist sources, it must provide travel experience that is more in-depth and of higher quality and with richer content. To pursue this, the Government, in the past few years, have been following the Development Blueprint for Hong Kong's Tourism Industry promulgated in early years, and working with the trade to enhance the themes and attractions of the tourism industry through different channels in the areas of culture, history, art, conservation, locality, etc. We will continue to closely liaise and study with the trade through the HKTB and the Tourism Commission, and put forward more measures to restore the ability and confidence of the industry.

The implementation of the plans mentioned above will definitely provide more and diversified job opportunities to the tourism industry, and enhance and retain talents for the industry in the long run.