

Government provides additional support to tourism industry

The Chief Executive, Mrs Carrie Lam, delivered "The Chief Executive's 2020 Policy Address" today (November 25) and announced the provision of close to \$600 million of additional support to further help the tourism industry, which has been among the hardest hit by the pandemic, to tide the industry over the prolonged challenges in the future.

Additional support measures include the following:

(1) to provide each licensed travel agent with a cash subsidy; the subsidy level for travel agents with 10 staff members or less will be at a flat rate of \$100,000 each; the subsidy level for travel agents with 11 staff members or more will be directly proportional to the number of staff members they have, using a subsidy level of \$10,000 per staff member as the basis of calculation. Some 1 700 travel agents are expected to benefit from this measure;

(2) to provide each travel agent's staff and freelance accredited tourist guide and tour escort whose main occupation is tourist guide and tour escort a one-off subsidy of \$15,000. Some 19 000 persons are expected to benefit from this measure; and

(3) to provide each driver of a tour service coach mainly serving tourists a one-off subsidy of \$6,700. Some 3 400 drivers are expected to benefit from this measure.

The disbursement arrangement of the above support measures will be announced in due course.

Tourism is one of Hong Kong's pillar industries. According to a preliminary estimate, the tourism industry's share of GDP is around 4 per cent. In view of the proliferation of the pandemic around the world, cross-border travel has ground to a halt. The tourism industry has been one of the hardest hit sectors during the epidemic. Given the tourism industry will continue to face grave and prolonged challenges for quite some time in the future, the Government has decided to roll out additional relief measures for the industry.

The Government introduced three rounds of Anti-epidemic Fund to provide financial support to the tourism industry, with a total commitment of around \$1.76

billion. Coupled with other helping measures including the Travel Agents Incentive Scheme and the Green Lifestyle Local Tour Incentive Scheme rolled out earlier, as well as this round of additional measures, the Government has provided support to the tourism industry with a cumulative commitment of about \$2.6 billion in total.

The Government has also been making every effort to explore and identify business opportunities for the tourism industry, such as the conditional exemption for licensed travel agents to organise local group tours of not more than 30 persons (inclusive of working staff) under the group gathering restrictions as stipulated in the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation (Cap. 599G), which extended support to the tourism industry and practitioners of the related sectors (e.g. tourist guides and tour escorts, the transport trade and even the catering sector).

Ends/Wednesday, November 25, 2020

Issued at HKT 13:30