Q&A with Mr Chan Chun Sing, Minister for Trade and Industry (Min(T&I)) Tourism Recovery Dialogue 22 July 2020

Moderated by Mr Keith Tan, Chief Executive, Singapore Tourism Board

CE STB: I'm looking at the questions and there's quite a good set of questions that have come in. I'm trying to group them but Minister, there seems to be a bunch of questions about when Singapore is likely to open our borders again and when we are likely to receive international visitors from other regions. Would you have any comments or thoughts about that?

Min(T&I): We are working very hard bilaterally with various countries to safely resume essential business first. Once we have that model in place, then we can progressively make plans for the mass market segment. We are also working closely with many countries on the required health protocols. Concurrently, we are working with various countries in different markets to progressively resume travel in a safe and orderly way, just as how we have done for China and Malaysia.

In our interactions with our foreign partners and clients, we must provide clarity on the current situation in Singapore beyond the headline numbers – how many cases there are in a community and how we are able to rapidly trace and track the people who might have been infected and isolate those people, or the cluster of people, rather than to shut down wide swaths of the economy. That must be our strategy and all of us must work together to present that picture to the rest of the world because sometimes, different countries have different test protocols and different standards of reporting, and it might be rather confusing to the outsider as to what the actual situation is in a country. We are our best ambassadors. How safe we think we are in Singapore, how safe we feel we are in Singapore, will be a great testimony to the people who are outside Singapore. At this point in time I must thank all of our foreign business chambers who have been a great help sending information back to their home countries and urging their respective home countries to work closely with us for the resumption of air travels and business travels.

CE STB: Thank you, Minister. I think in relation to that question, as we think about the reopening of our borders, I presume we have to think about how this complements our testing capability and quarantine requirements. There's a question from a member of the audience – can we significantly expand our national testing capability? For example, to extend SG Clean to include active monitoring for COVID-19 in our community and to reduce the quarantine period for foreign visitors to 48 hours.

Min(T&I): On SG Clean, the work is ongoing and we must continue to press on with that. We have to go beyond the previous SG Clean standards, and this requires us to adopt new protocols of how we clean and sanitise places where there's a high frequency of visits, usage and interactions.

On protocols between two different countries, we need to better understand each other's protocols to minimise duplication. For example, in the area of testing, once we are able to have a reciprocal arrangement, then the traveller will need to only do one set of tests to be mutually recognised by the two countries. That will significantly reduce the amount of time and resources required. Likewise, for the quarantine process, if we are able to work out this arrangement as we have done with various countries, we would be able to significantly reduce the inconvenience to the different travellers.

CE STB: Thank you, Minister. There are questions about countries that we might be working with. Can you elaborate, in terms of priority, the countries that we are working with? Can we engage the ASEAN platform to develop a common understanding and protocol for travel within ASEAN?

Min(T&I): Some of the countries that we have worked with and have achieved results for include China and Malaysia. Other countries that we are working with include South Korea, Australia, New Zealand, and some of the European countries. Our priority will be those with a high level of economic and tourism interactions with us, and it will also depend on the current situation in those countries.

We want to have a more finely calibrated system, rather than to shut down the entire country. Recently, as you would have noticed, some of our measures are targeted only at cities that have been affected by the ongoing situation. Australia is a very good example. Australia is a big country. We will have to be more finely calibrated in working with the local authorities on their evolving situation for us to resume travel, rather than to have a blanket restriction across the entire country.

CE STB: Thank you, Minister. That leads to the next question, which is regarding the resumption of events. There is a question here that says other countries like Thailand, Taiwan, and neighbouring Asian countries have already resumed live and MICE events. What about Singapore?

Min(T&I): For the MICE industry, we need to reimagine how we organise mass events such as through the pilot for the two upcoming <u>MICE events</u> that we announced today., We can have 50 live participants at the event, who are grouped into different groups. Where necessary, we would be able to quickly do the track-and-trace of contacts and contain the situation, rather than to shut down everything.

That is one example of how we can group people together for MICE events, maintain a certain degree of interaction, and at the same time allow a certain safe distancing for us to trace and track should something go wrong. But the other interesting thing from this morning's announcement by STB was, how do we then integrate the live audience with the online experience of the other people who may not be there to participate? I heard of an example where, instead of the conventional sequential way people go to different seminar rooms, they participate virtually and they are able to move around the different seminar rooms to pick up things that they like. I think there's great potential for us to combine the online and offline experience to provide a new kind of experience for our live participants. For the online

participants, there is also a new way for them to have a richer experience beyond the previous experience of having to rush from point A to point B, just to attend a particular seminar, and then missing out on the rest. One of the challenges that we have not entirely figured out is how to enhance social interaction for a combined online and offline experience? That is something which we will have to think through and see whether as an industry, we can come up with new models to allow people to have this interaction in a safe way while abiding by the prevailing regulations.

CE STB: Thank you. I tried to group some of the questions regarding the domestic campaign, SingapoRediscovers. Minister, would you have any advice for businesses that are trying to market and showcase to locals? The majority of our businesses in the tourism space here are used to marketing to foreigners and less to locals, and they now have to re-pivot. Any advice on how to reach out to locals?

Min(T&I): I think sometimes the easiest way for us to think about this is to ask ourselves, what would attract us, or what would encourage us to participate in those events or go to those attractions?

Let me share some examples of untapped potential. For example, not many Singaporeans have been to the Northwest corner of Singapore, the rustic part of Sungei Buloh, or Neo Tiew. The farms located there could design a programme for people to participate and see the inner workings of how things are done on those farms and the rustic areas.

Another example could be to showcase how Pulau Semakau, our incineration plants, NEWater plant, or even our water purification plant and our substations are operated. There are many things that keep Singapore going but many Singaporeans do not necessarily think of those places as tourist attractions where we can learn something.

I think Singaporeans are also looking for unique opportunities to learn something and do something different, away from their daily routine. Many of us like to go to Chinatown or Geylang Serai for the food, but very few people know what goes on behind the food – the preparation behind it, the effort required, the history behind some of these places.

CE STB: One bunch of questions here relate to retrenchments. There have been some retrenchment announcements, with negative headlines on jobs – are there industry-wide concerns which companies should be worried about? The headline numbers on retrenchments will put pressure on businesses, and indicate a more pessimistic outlook. What's your advice to companies that are struggling and thinking about retrenching workers? The tourism sector, as I've told other agencies in the past, went in the other direction – we were hungry for more workers and couldn't find any more. Now we are going in the opposite direction. How should we help the companies?

Min (T&I): This is something of great concern to me personally, because without the resumption of mass market travel, we have to be realistic that the headwinds and challenges in the coming months will be severe, and it will be inevitable that some segments of our

industry will have to retrench and let go of workers in the short-term, as we rebuild the new offerings.

There are two things we can do. One, work with companies who need to re-fashion their products to quickly come up with new offerings, including what we mentioned earlier about the local market. If we can do that, that is the best way to help companies and workers as they have a new and sustainable market proposition. We also have to ensure that existing workers in the industry who need to be redeployed will be reskilled and matched to new jobs available. This is where NTUC and the rest of the economic agencies are working very hard to redeploy some of the skill sets from the tourism sector into other sectors.

I know some of you have secured jobs as Safe Distancing Ambassadors (SDAs) to help other enterprises adopt Safe Management Measures (SMMs), This shows there are different options available, depending on aptitude and skill sets. The question is how do we quickly reskill Singaporeans into those jobs that are still available? We are committed to make sure we spend the next few months and years putting in the resources to help Singaporean workers reskill themselves, and take on other jobs.

CE STB: There are a few questions about government support. The government has put in a huge amount of money to support businesses. How sustainable is continued government support, and can the tourism businesses expect further forms of support from government like enhanced JSS or further rental waivers? There has also been comparison with other countries such as Hong Kong, where the government has offered free venues for one year for international event organisers. Will Singapore consider such interventions from the government?

Min(T&I): One area of the support is to try to save jobs and businesses. We are trying to buy time to retain the capabilities and allow some capacities to grow again. There's another area of government help that we really want to work with the industry on, and that's about reimagining our products and re-fashioning our business models so that we can move into a more sustainable model. I think what the audience has rightly pointed out is that it is not sustainable for us to keep supporting a business model that may no longer be available, or at least will not come back in the next one to two years. Within this time, we must quickly help our businesses reimagine their products and enter the new market.

For example, I know some of the tourist guides and tour operators have been very focused on a certain market pre-COVID-19, and that country accounted for about 80 to 90 per cent of their revenue stream. Once that country shuts off their outbound tourists, these companies essentially had their entire revenue wiped out. But if you look at what we have done in the short term – we can buy some time by helping them through the Jobs Support Scheme (JSS) to make sure that the workers hold on to their jobs. However, that is not sustainable because we don't know how long that particular country will take to resume outbound travel. We need to work on companies that are going to move out of that particular market - how might we work with you to pivot your business towards markets which are likely to resume travel earlier. The industry needs to work with us, to re-imagine what kind of products and services will be relevant and plausible in a COVID-19 world.

Without a vaccine, without a rapid test kit, it is very difficult for us to imagine the resumption of air travel in the way we are accustomed to. If that is the case, we have to focus and ask ourselves, how will the new COVID-19 world look like? We won't get to a post-COVID-19 world, and we will have to learn to live in a COVID-19 world for the foreseeable future. In the coming months, we will have to spend much more effort and resources to help our industry refashion products and reimagine the future, to complement what we have done in the last few months, which is basically to stem the tide of job losses and businesses closures.