



16<sup>th</sup> November 2020

Jamie Hepburn MSP  
Minister for Business, Fair Work & Skills  
Scottish Government  
St Andrew's House  
Edinburgh  
EH1 3DG

Our Ref: SCC/CS/161120

**Urgent Support Required for Travel Industry**

Dear *Jamie*,

Thank you for taking the time to engage with Scottish Chambers of Commerce and our members from the travel industry on 12<sup>th</sup> November 2020.

As highlighted during our meeting, the travel industry is facing significant pressures as a result of the pandemic and lockdown restrictions. Despite the best efforts of our members to keep trading and retain jobs, the lack of direct financial support and the tightening of restrictions is making the trading environment exceptionally challenging. Many of our members are expecting a drop in business volume over the coming months, with some expecting to have fewer in employment.

We need to do everything we can - collectively - to safeguard these vital businesses and protect the talent and expertise of employees in the industry. To achieve this, we raised several policy solutions that we would like to explore further with you and appropriate colleagues within Government. I have summarised the key contributions below.

**QUARANTINE:** blanket quarantines have proved impractical from a business and customer perspective and has effectively blocked short-term recovery for the outbound travel industry. To support the industry and to boost consumer confidence, a regionalised approach to quarantine would be sensible and practical. Whilst we understand this may not work for all countries, it is our view a regional approach, similar to the Scottish Government's 'Levels' approach should be applied to key international holiday markets such as Spain & Greece. Is this an area the Scottish Government can explore in partnership with the industry? In addition, on 9<sup>th</sup> November, Grant Shapps MP, Transport Secretary, said the UK Government was working with other countries to help establish an "international standard" for self-isolation and testing to be carried out before travelling to and from the UK, to avoid passengers having to quarantine on arrival in their destination country. Is the Scottish Government involved in these discussions?

**TESTING:** increasing the availability of testing and the speed of test results will be a critical element of supporting the recovery of the industry, particularly testing at airports. This would be a sensible and practical approach to restarting outbound and inbound travel whilst also prioritising health and safety of the public. Many other countries are already providing testing at airports. For example, in Italy, some airports offer rapid testing, taking no more than an hour. We appreciate the Scottish Government will adopt a combination of measures to contain the spread of the virus and is awaiting the findings from the Global Travel Taskforce. It is our view that testing at airports must be a core

measure and Scottish Government should increase its focus on developing and delivering testing capacity and capabilities with Scottish airports.

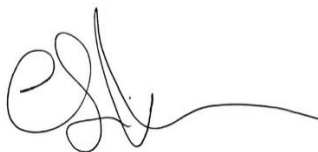
**BUSINESS & EMPLOYMENT SUPPORT:** Many businesses in this sector have not been able to access the financial support available from either the Scottish or UK Government. Travel agents continue to work to support their customers and therefore cannot make use of the Coronavirus Jobs Retention Scheme. A review is needed as to how the scheme can be accessed by employers where employees must work to support customers, despite the lack of sales and income. In addition, many business owners have been excluded from support as a result of the company set-up eg limited company / Directors. This has been a constant gap in support from Scottish and UK Government and needs to be addressed quickly to support these business owners. As mentioned on our call, our members still have to cover overhead costs, salary costs, utilities and more, all without access to key Government support packages. An immediate support package from the Scottish Government is needed to provide relief for this sector.

**AIR PASSENGER DUTY:** beyond the immediate support which is needed (outlined above), we need a long-term strategy from the Scottish Government to enable the industry to recover and to boost consumer confidence which has been dented as a result of the pandemic. One mechanism to achieve this is to deliver on the long-standing policy commitment to reduce and abolish Air Passenger Duty. We understand the policy has yet to be fully devolved to the Scottish Parliament and other concerns have been raised such as EU/State Aid. We urge the Scottish Government to review this policy position afresh in partnership with the UK Government.

Our members in this sector stepped up to support customers at a difficult time through this crisis - by providing advice and guidance to travellers, issuing refunds, re-arranging family holidays and more. We now need the Scottish Government to step up for us and our members in the travel sector. We understand a proposal has been submitted by the SPAA to the Scottish Government which outlines the sector's request for support and we hope it will be given active consideration.

I look forward to further engagement with you and the Scottish Government.

Yours Sincerely,



Charandeep Singh  
Deputy Chief Executive  
Scottish Chambers of Commerce