



# PAKISTAN HOTELS ASSOCIATION

(REGISTERED WITH THE MINISTRY OF COMMERCE, GOVERNMENT OF PAKISTAN)

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## PRESS RELEASE

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**Pakistan Hotels Association stands firmly behind the government authorities and the people of Pakistan in their fight against the menace of Corona Virus. In order to stand strong in the current situation, Hotels are in dire need of relief due to the heavy and direct impact of Coronavirus outbreak on the Hospitality Industry reducing its overall occupancy to only 10%. We request the Government to provide the following relief package to the Hotel industry of Pakistan to help it survive these difficult times:**

- 1) Payment of Hotels' Utility Bills: Due to cash shortfall; possibility of payment in installments, initially for three months or till the situation prevails and removal of late payment surcharges on Utilities, social security, EOBI, Property Tax and other Local taxes. Same concessions may be given charges from PEMRA, Water Board and other charges imposed on the Hotels.
- 2) Abolish or reduce the Sales Tax or defer the Sales Tax and Income Tax payments.
- 3) Since Government has not declared an emergency and since other more viable options are available with the government, it is not feasible to convert hotel properties into Quarantine Centres. More importantly, this act will have long-term repercussions for the country as it will alienate the potential guests, who will be afraid to stay at a hotel which has been used as a quarantine because of fear of catching disease. Resultantly, the hotel industry will collapse leading to a further hit on the country's economy and reputation. Unemployment will also rise because if only one hotel is closed, at least 600 direct employees and 2400 indirect employees are being affected besides workers on daily wages, who find it difficult to earn their bread and butter.
- 4) Relaxation in Hotels Loans with reduced rates of interest on loans and deferral in loan installments.
- 5) Hotel managements are facing difficulty in paying salaries to their staff due to cash flow shortage. So some relief package may kindly be given to the industry.
- 6) Hotels be allowed to keep open at least one Restaurant in their premises ensuring all required measures for health and safety and make sitting arrangements as per directions. This act would encourage hotel guests to have their meals in a healthy and open atmosphere and feeling better rather than confined themselves in a close bedroom.

As Chairman, on behalf of all the member hotels of Pakistan Hotels Association, I appeal to the Prime Minister of Pakistan and Chief Ministers of all Provinces to please understand the gravity of the situation and give a serious thought to the above suggestions to save one of the most important employment and revenue generating industries of this country at this crucial moment.

With best regards

Zubair Baweja  
Chairman  
Pakistan Hotels Association