

FEATURE ADDRESS BY THE HON. FREUNDEL STUART, Q.C.,

M.P.

ACTING PRIME MINISTER OF BARBADOS

ON THE OCCASION OF THE OPENING CEREMONY

OF THE CARIBBEAN TOURISM ORGANISATION'S

LEADERSHIP STRATEGY CONFERENCE

HILTON BARBADOS, SUNDAY, OCTOBER 10, 2010

SALUTATIONS

Members of the Cabinet of Barbados;

Chairman of the Council of Ministers and Commissioners of
Tourism of the Caribbean Tourism Organisation (CTO);

Other Hon. Ministers and Commissioners of Tourism of the
CTO;

Chairman of the Board of Directors of the CTO;

Other Members of the Board of Directors of the CTO;

Mr. Hugh Riley, Secretary General of the CTO;

Permanent Secretaries and Officers of Related Grade of the

Government of Barbados and of the Government of visiting delegations;

Honoured Guest,

Mr. Willie Walsh, Chief Executive Officer, British Airways;

Other specially invited Guests;

Distinguished Ladies and Gentlemen

Permit me to begin by saying what a pleasure it is for me to welcome all of you to Barbados. I do so on behalf of its government and people and hope that your experience here will justify the lofty expectations you entertained before coming. There is, I can assure you, no shortage of cultural and culinary delights for your enjoyment while you are in Barbados and I hope that you will avail yourselves of the opportunity to savour some of these.

You will allow me to extend a special welcome to Mr. Willie Walsh, Chief Executive Officer (CEO) of British Airways, who in his own special way plays a vital role in the varying fortunes of tourism destinations present here today. We thank you Mr. Walsh for choosing Barbados for your first strategic business visit to the Caribbean.

This, I understand though, is your second visit to Barbados, the first having taken place in 1993 when you were here for your honeymoon. That is a short 17 years ago. At the risk of being deemed subversive, you will allow me to inform you that in 1994, we did some amendments to the Marriage Act to facilitate visitors who want to celebrate their marriage here in Barbados. The Government of Barbados of course promotes the idea of solid, stable and enduring families. That fact notwithstanding, however, in your particular situation, should it become necessary, you may want to take the fullest advantage of this not unattractive facility.

British Airways, without doubt, has been hugely influential in the development of Barbados into the tourism destination that we are today. What used to be called British Overseas Airways Corporation, or BOAC, started service to Barbados during the early 1950s. And those of us old enough to remember will recall the pathbreaking significance of the new service provided by that airline, as it facilitated travel between Europe and Barbados via North America. The availability of this service reduced to days travel that would have taken weeks to complete even aboard the fastest steamships of that period.

Henry Ford, late American Industrialist and pioneer of the assembly-line production method once said:

“Coming together is a beginning; keeping together is progress; working together is success.”

That observation is as relevant to the efforts of our tourism destinations today as it was to the assembly-line production method to which Mr. Ford was referring.

Your presence at this Conference ladies and gentlemen indicates that you recognise the importance of putting our minds together to craft a strategy for the future growth and sustainability of the tourism sector. Let it be clearly understood that not only will the tourism sector benefit from this exercise but also the entire society will, when one considers the size of the sector and its importance to our economies.

I hope that this Conference will assist the leadership of both tourism and tourism-related interests to collectively chart a path to enhance the sustainability of our economies and to further reduce the incidence of poverty in our island nations. I hope further that the solutions found here will allow participants to return to their areas of work inspired and energised to strengthen the fabric of our societies.

This Conference, by its very nature, should equip you adequately for that purpose. One cannot help but notice that the vast majority of the Conference sessions will be dealing with some aspect of the aviation industry. This should

surprise no one, since air transport remains critical to the tourism-dependent countries that border the Caribbean Sea.

In fact, international transport is one of the main challenges faced by small island developing states in the development of their tourism sector. How to move potential visitors from their home countries to the destination and back in a timely and efficient manner continues to challenge the ingenuity of our tourism planners. In today's fast-paced world, a high premium is placed on time. The length of time taken to travel to and from the vacation spot can, conceivably, influence the choice of destination. Vacation time is today measured in hours and days and not in the weeks and months of a more leisurely period in days of yore.

For most of our countries, unable by reason of the cost factor to own an airline, the acquisition of reliable and competitively priced airlift with adequate geographic spread, becomes a key issue upon which policy makers are forced to cogitate.

The attraction and maintenance of international airlift is a skill the development of which requires discipline, patience and training. Experts in the field will all agree that securing

airlift, while important, does not absolve actors in the industry of the obligation to use their best endeavours to ensure that that airlift is maintained. The optimism awakened by the prospect of impressive results with the advent of new air services, should yield no ground to the pessimism that can result if the expected retention of those services is cheated of fulfilment. Invariably, such results are the consequence of a versatile range of events and consumer decisions which no actor in the airline or the destination can hope either to control, or to predict. The eruption of the Greenland volcano is one such example. The other obvious example is the still continuing economic recession.

Barbados is an example of a country that has established long-term partnerships with a number of airlines whose operations span both sides of the Atlantic Ocean. These partnerships, critical as they are to the sustainability of air services, survive as a consequence of constant communication and exchange of information the purpose of which is to ensure the timely identification and solving of problems. It is through such effective communication that marketing interventions can be implemented as needed, to increase passenger traffic. This approach serves the dual

purpose of meeting the destination's need for a constant flow of clients and the need of the airline to ply the most profitable routes.

Barbados has been responsive also to developments in the air transport sector and has sought to realise the opportunities to be derived from partnerships with airlines operating with a low cost structure. As such, two of North America's low-cost carriers, WestJet and JetBlue, currently offer year-round scheduled service into Barbados, with JetBlue offering daily service.

If the current economic crisis has taught tourism practitioners anything, it is that no tourism source market is sacrosanct. Adverse economic conditions can affect any country and any client at any time. Destinations like ours must be prepared therefore, to extract the highest possible benefit from economies that remain strong or have become strong, wherever those economies may be. As an example of this approach, Barbados has been working with the Brazilian carrier GOL which, in June 2010, commenced a weekly service to Barbados out of Sao Paulo.

This country continues to work to diversify its tourism source markets by exploring new markets in Europe, Latin America and even China. At the same time we are attempting to develop a new clientele within the traditional source markets of the United States, Canada and the United Kingdom. A great deal of work is being done to develop services out of both Western USA and Canada and we are looking to further develop markets in the northern United Kingdom.

On the regional front, the cost, reliability and connectivity of Caribbean airlift continue to be a source and cause of concern. The most striking features of our reality are limited routes, uncompetitive pricing, inefficient airline operations and consequently inconvenienced passengers.

We may take as an example the fact that many places in the northern Caribbean are accessible primarily from the south only by way of Miami; and that the Eastern Caribbean is still largely cut off from the Western and Southern Caribbean and almost totally cut off from Latin America, our closest neighbours.

It is quite clear from this that the Eastern Caribbean is in need of a more efficient and reliable regional feeder service that will not only connect it to the Western and Southern Caribbean and Latin America, but also provide equally efficient and reliable interconnection opportunities for our international airline partners. That feeder service needs to feature baggage policies, reservation systems and a level of operational reliability that facilitate seamless interconnections between regional and international services.

Mr. Chairman, Ladies and Gentlemen, we are all very aware of the difficulties that have faced Caribbean tourism following the imposition of the Air Passenger Duty (APD). We need however to be aware that the APD is only the first of the “green taxes” that will overtime affect the tourism sector. Forget not that the European Union (EU) Emissions Trading Scheme has the potential to be even more devastating.

As you all know, the stated purpose of the emissions trading scheme is to reduce green house gas emissions from aviation, first by increasing the required fuel efficiencies of aircraft, and second, by discouraging the flying of

unnecessary routes or under-patronized planes. Alas, is it to be noted, that the proponents of emissions trading view the fact that these initiatives will undermine the affordability of travel for some persons as a positive development. But we are fully aware that in the long term these measures will even more seriously undermine Caribbean tourism growth.

And so, distinguished participants, there are numerous issues to be addressed if we are to ensure the survival of the Caribbean as a desirable tourism destination and if, indeed we hope to gain that competitive advantage we so strongly desire. I have touched upon only a few. It is evident, from the calibre of presenters selected to share their expertise and experience that this Conference is pregnant with the potential for arriving at useful recommendations. I therefore eagerly look forward to the outcome of your efforts and hope that yours will be fruitful deliberations.

I also wish you a safe and uneventful return home at the conclusion of the Conference and look forward to seeing you soon again in beautiful Barbados.

Thank you.