Vision.

- Any town, any city and beach in the Caribbean from less than US$50.
- Any meeting, any friend or any family member in the Caribbean from less than US$50.
- Any doctor, any hotel and any restaurant in the Caribbean from less than US$50.
- Real freedom, real choice and unlimited opportunities for citizens and businesses.

“This is the REDjet Vision”
Overcoming the Hurdles

Title:
- Overcoming the Hurdles: Making Intra-Caribbean Travel Work.

Agenda
- What can be done – REDjet story so far
- Role of Airlines
- Role of Governments
- Role of Business
- Elitism
Expanding transport capabilities in the Community:
- 2 Aircraft in services and 2 more ordered.
- Launched with a single route and have now 6.

Developing human resources and employment:
- launched 93 staff with another 80 in 7 months.
- Over 90 other jobs supported directly growing to over 130 by December.

Efficient, reliable and Affordable transport capabilities:
- 60% reduction in fares
- 88% load factor for Summer 2011
- 83% passenger growth within 3 months!
Objectives of the Community Transport Policy

- Expanding transport capabilities in the Community:
- Developing human resources and employment:
- Efficient, reliable and Affordable transport capabilities:

All Objectives of the CARICOM Community Transport Policy

- (a) the development of efficient internationally competitive ancillary transport services;
- (b) the development and expansion of air and maritime transport capabilities in the Community;
- (c) the promotion of co-operative arrangements for the transport sector;
- (e) the development of human resources for employment in all areas and at all levels of the transport sector;
Role of Airlines

- A major hurdle to making travel work are airlines themselves.
- Essential that the CONSUMER comes first.
- Vested interests:
  - Governments
  - Employees & Unions
  - Suppliers
  - Management
  - Business Community
- REDjet builds everything around the average consumer.
Role of Governments

Biggest hurdle of all are national Government’s & Ministers:

- Protectionism.
- Charging taxes average consumers can’t afford.
- Out-dated Air Services Agreements.
- Regulation and Monopolisation.
Role of Governments - Protectionism

“We’ll have to check our agreements with CAL, LIAT or other airlines”.
- *I’ll have to see whose brother/ friend in CAL or LIAT this affects*

“X airline was here recently asking us not to issuing new licenses”
- *danger, they may have got through to key people*

“We must consider the interests of our stake in X airline”
- *its broke, it can’t serve our own market but we must protect it*

In 2011 we must stop with the failed policies and failed models
Role of Governments – Passenger Taxes

- Tourist from UK or US paying US$1,000 for a fare will pay the same as an average man from St. Kitts paying US$20.

- REDjet is slashing the cost of fares by 60% - Passenger now pays in many cases more taxes than in fares. This affects:
  - Intra Regional Tourism – Short vacations
  - Intra Regional Tourism – VFR
  - Economies – business and trade
  - Students – travelling to 3rd Level Education
  - Families – parents, children, brothers and sisters
  - Governments – less tourism and economy activities

- Ridiculous to tax US$55 or even US$30 on a ‘domestic’ ticket
Role of Governments - Liberalisation

- Most countries in the region have no bi-lateral agreements.

- MASA, Treaty of Chaguaramas, CASOS – almost non-existent.

- Falling further behind regions with ‘Open Skies’.

- Vested interest in protectionism stopping regional ‘Single Sky’.

- It would deliver huge financial and social benefits.

- Support CASOS and Open Skies
Elitism

Biggest barrier affordable travel. This is prevented by:
- Airlines and stakeholders with vested interests
- Governments and over taxation of local travel
- Civil Service and the ‘cosy’ relationships

Regional airlines with all of the services and bells and whistles of Global Carriers

Travel dominated by 10% of population – no one concerned for average person and no one believes they want to travel.
Low Cost Travel for Everyone
Open Skies Agreement

Key provisions include:

- **Free Market Competition:**
  - No restrictions on international route rights; number of designated airlines; capacity; frequencies; and types of aircraft.

- **Pricing Determined by Market Forces:**
- **Fair and Equal Opportunity to Compete:**
- **Cooperative Marketing Arrangements**
- **Provisions for Dispute Settlement and Consultation**
- **Liberal Charter Arrangements**
- **Safety and Security**
- **(Optional 7th Freedom All-Cargo Rights)**
REDjet

The Caribbean’s Low Fares Airline!