

## **PRESIDENT'S ADDRESS FOR 3RD QUARTERLY MEETING**

Good morning and welcome to our LIME Sponsor represented this morning by Mr Bernard Lewis, Mr. Griffith from the Ministry of Tourism representing the Minister of Tourism this morning, Mr John Fareed our Keynote Speaker, Sir Roy Trotman, General Secretary of the Barbados Workers Union, Mr. Basil Gooding, Honorary Member of the BHTA, members of the press, other specially invited guests, ladies and gentlemen.

As I stand before you almost 3 months to the day since assuming this office on June 13<sup>th</sup> I am ever mindful of the tremendous responsibility of my position, the importance and need for a robust Association and more importantly the need for a strong, vibrant and sustainable tourism industry for Barbados.

This year the Association celebrates its 60<sup>th</sup> Anniversary and while I am extremely proud to be the 2<sup>nd</sup> woman to serve as its President I am humbled by the tremendous sacrifice, dedication and commitment of all who have served before me and all that they have done to guide and nurture our Association to this point.

The Association and the tourism industry has grown over those 60 years in ways I am sure its founders might never have imagined, from an economy in which sugar was king to one in which tourism is now the number one foreign exchange earner for Barbados, DIRECTLY employing almost 10% of the total workforce – approximately 12,000 persons and jumping to over 70,000 persons when you take into account indirect tourism activities that cover a vast range of occupations including – marketing, housekeeping, landscaping, entertainment, construction, shop assistants and water sports operators to name just a few.

It is important to remember that while many people view tourism in Barbados as the Hotel Industry, it is so much greater than that; and the growth and strength of the industry really rests in the willingness of each and every Barbadian and resident to EMBRACE it, OWN IT, be PROUD of it and TAKE RESPONSIBILITY for its success.

Equally important to the success and sustainability of tourism is Government's REAL understanding , encouragement, facilitation OF and support FOR the industry. We need more action and less talk, we need a real commitment to changing the way business is done in Barbados, we need stricter and better enforcement of laws against

loitering, soliciting, vagrancy, harassment and littering and we MUST adopt a ZERO tolerance approach to these activities in all areas of law enforcement, government , in our businesses and our communities.

The linkages between Tourism and Agriculture, Manufacturing, International Business and the other key sectors of our economy are critical and a much greater understanding of how we can work together and of each other's peculiar needs in order to achieve the greatest success is paramount. There is far too much duplication of effort that goes on - and there is of course a cost to this.

One of the primary goals that I have therefore set myself within the first 6 months of my presidency is to meet with these sectors in order to identify some key areas where we can begin to improve. To that end I met last week with the President of BCCI and we are moving towards signing a Memorandum of Understanding between our organisations once this has been discussed with our Board, that outlines initial projects on which we can take a unified approach to our mutual benefit and hopefully by so doing reduce the timeframe in which the projects are accomplished and minimize the cost and improve the benefits of our respective membership.

The last four years have been some of the toughest the world has ever seen and in Barbados our tourism industry and the wider economy has certainly not been immune to the challenges facing the entire world. Over the past year we have seen occupancies continue to decline with Statistics for long stay arrivals for the first three weeks in August down by 13% and year to date down 5.2% with declines in all markets except Trinidad & Tobago and major declines in our number one source market the UK of 17.9% in August. Based on current trends all indications are at this stage that the initially forecast decline of 1.1% over 2011 will in fact be deeper and may reach a decline of up to 9% for 2012.

Over the past year we have seen continued closures in hotels and other tourism businesses – and since 2008 the industry has lost some 30 hotels, apartments and guest houses resulting in a loss of approximately 1,300 rooms and a number of

attractions including ATV Quest, Ocean Park, Graeme Hall Nature Sanctuary and Harbour Master to name a few.

The industry has faced continued increases in operating costs and taxes at levels that outstrip the industry's ability to increase rates and remain competitive in the face of continued depression in our major source markets and the truth is, in my opinion, we have not collectively done (public and private sector) the best we can to make our businesses and government as dynamic and efficient as they need to be in order to keep up. We have been talking about Public Sector Reform in Barbados for years now but we still have countless needless frustrations to the sector that could be removed if the WILL was simply there to do it – the legislation exists – but the approach and commitment to change needs to catch up.

#### Meeting with the Minister of Finance and the Minister of Tourism

The BHTA has met over the past three months with the Ministers of Finance and Tourism in post budget discussions to highlight a range of issues that are critical to its membership.

On Monday, July 31<sup>st</sup> 2012 a meeting was held with the Minister of Finance and Economic Affairs the Hon Christopher Sinckler and the Minister of Tourism the Hon. Richard Sealy together with a group of representatives from the Association the President and the EVP.

The meeting was frank and informative. The Minister of Finance & Economic Affairs presented the current state of the economy and outlined his challenges with respects to cash flow and the need for him to be cognizant that whatever actions he took for one sector of business that such actions did not adversely affect the others.

I presented an overview of the critical state of the industry and along with the other members of the team emphasized that it was imperative to find some short and medium term measures for immediate relief to improve the sustainability of the industry.

The Association raised the issues that are critical to its membership highlighting VAT, Utilities with particular reference to Electricity, the immediate need for funding and restructuring of the BTA and the revision of the Tourism Development Act and immediate addition of items listed and submitted to the Ministry of Finance for the Second Schedule of the TDA 2002-2007.

A recommendation was made by the Minister of Finance that a facilitation committee should be created comprising representatives from the Ministries of Tourism and Finance and the BHTA, and it was suggested that the Ministry of Tourism would be the agency recommended to arrange the setting up of the committee.

A letter of thanks was sent by the President to the Minister of Finance and a further letter was sent asking if the Minister had been able to review the four areas and if there was any way the Association could help in moving the process forward.

We have since received correspondence from the office of the Minister of Finance advising us that they will soon be in a position to inform on the short term actions which the government will propose to undertake to address some of the issues which were raised and we look forward to further communication and more importantly action on this matter.

We also met last week with the Prime Minister and in a frank and open discussion summarized to him the various challenges and issues being faced by the sector and our members, and outlined to him what our members and the Association have been doing to try to mitigate any additional negative impact to the society and the industry. Some of these include -:

- The launch and continued marketing support of Bookbarbadosnow – we now have hotels, attractions and car rental services all bookable online and are working with the BTA to have officially recognised on the [visitbarbados.org](http://visitbarbados.org) website as the official booking engine for Barbados. Since May 2011, we have spent BDS\$330, 000 to market the booking engine and have received BDS\$1.1m in bookings so far – a ratio of 1:4. But there is more that can be done – hotels need to offer their best rates to the site – you are only paying 10% in commission

as opposed to 25% to other booking engines. And we also need support from Central Government in helping with marketing support.

- The continued effort on behalf of our members to preserve jobs even in the face of current low occupancies.
- Support of the Food and Wine and Rum Festival and Foromic conference through the Tourism Fund and by the offer of special rates via bookbarbdosnow and
- The re-launch of 'Staycation' to assist all businesses in these difficult times and we urged the Ministers to reconsider the incentive requested in the pre-budget presentation for incentives to locals for participating in Staycation.

Coming out of our meeting with the Prime Minister and based on the severity and range of issues highlighted, the Prime Minister has recommended that he meet with the sector on a far more regular basis – he recommended every 6 weeks – so that he can update the Association on the progress being made on the matters raised to his government and obtain current information on the performance of the sector and what result any measures / relief offered by government are having on the sector. We welcome this offer and stand ready to facilitate further meetings as requested by him.

On many occasions you have heard the cry from the Secretariat for the membership to supply information on various topics. If we are now being offered the opportunity to meet with the Prime Minister on a regular basis to represent you, our members, then we **MUST** ensure that we are truly prepared with adequate information. We need your support so I will once again plead with you all to assist us when information is requested.

### **Commissioner of Police**

In the face of increasing reports of harassment, concerning crimes against visitors, uncontrolled vending and drug pushing in many of our high traffic tourism areas like –

St. Lawrence Gap and Holetown, a delegation from the BHTA including First VP Matthew Mullen, EVP Sue Springer, Safety and Security Committee Chair Philip Brathwaite and myself, met with the Commissioner of Police and several of his senior officials. In that meeting the Commissioner of Police stated that moving forward he would like the PR Officer for the Royal Barbados Police Force Inspector David Welch to attend the BHTA's Safety and Security committee meetings along with Inspector Mervyn Jordan the Tourism Liaison Officer. The BHTA Safety and Security committee has been revitalised and is now being ably and enthusiastically chaired by Philip Brathwaite.

We were also advised by the Commissioner of the ongoing installation of the CCTV cameras in key tourism areas and understand that the installation in St. Lawrence Gap is now complete – we hope that this will produce information that will be helpful in stemming the increase of lawlessness in this area.

The meeting also discussed the West Coast CCTV plan and the Commissioner informed the meeting that the project could be done in phases due to the high cost factor. The BHTA stated that they would contact the Commissioner and obtain from him the break-down of the project to try to move the process forward.

We continue to actively support the Royal Barbados Police Force and need all to remember that SAFETY AND SECURITY is one of Barbados's most important Brand Elements.

### **Committees**

All Committees have now been properly constituted and have been meeting. The Membership, Environmental, Constitution and Fund-raising Committees have already been at work.

Two fund raising activities have taken place during this quarter. The first being the "Flash Sale". This was a sale for 12 hours from 6am to 6 pm with specially priced offers for Staycations being donated from hotels, attractions and restaurants. The sale was so

successful that additional offers were donated on the actual day and the total raised was \$8,800. We would like to sincerely thank all those companies that so readily supported this effort.

The second event was the Funfari which came off very successfully on Sunday with 117 passengers having a great time while raising funds for the Association. Ann Smith our Fundraising committee chair arranged this event with Ralph White from Island Safari who offered the use of his jeeps for the occasion and lunch was provided by Sunbury Plantation. We would like to sincerely thank them both for their amazing support ..

### **Environmental**

This Saturday the Environmental Committee will join Clean Up Barbados. This annual event, first launched in 2009, is implemented by The Future Centre Trust. Many of Barbados' open spaces, beaches, gullies and roadways need attention. The event gives groups and individuals the chance to get out and get involved with cleaning an area that needs attention and that the community shares a passion in maintaining. What is envisaged is a public awareness campaign that would take place during the rest of the year to reduce the amount of littering and dumping that does take place, so that the work on Clean Up Barbados Day is reduced .This year, the BHTA will be participating in Clean Up Barbados and will be undertaking the area of Silver Sands Beach and Park. We would like to invite you and members of your organisation to participate in this event under the group name BHTA TEAM.

Remember CLEANLINESS is one of Barbados's Brand Elements.

### **Marketing**

On the marketing front a new committee has already met under the dynamic leadership of Wayne Kafcsak of Fairmont Royal Pavillion. While the committee is smaller than the last, there will be number of break-out sub-committees to fast-track areas such as the

website, market intelligence and so make for speedier decision-making and flow of information. So you will be receiving calls about being co-opted to serve on these sub-committees.

- Some of the key areas which have been identified for urgent action include:
- Research needed for circulation to membership to better inform decision-making
- Improve the communication with BTA VP's by monthly phone conferences.
- Create new offer for 2012/13 similar to Take Me to Barbados (TMTB)
- Creation of a marketing plan for 2013
- The global event calendar to be updated through to the end of 2013
- Continue to market and drive business on [bookbarbadosnow.com](http://bookbarbadosnow.com)
- The re-instatement of Connect Barbados for 2013
- A renewed effort to get more members join the Tourism Fund

The TDC has just agreed to support BHTA initiatives for 2012/13 in an amount of \$263,000. We need to spend these funds prudently and on programmes which will generate direct business and we sincerely thank the TDC for the ongoing support and partnership with us in our marketing and product development efforts.

The BHTA will also be represented at WTM and at the Birmingham Dive Show.

## **STEP**

The wonderful work of the Schools Tourism Education Program will continue under the Chairmanship of its champion Mr. Colin Jordan Immediate Past President of the BHTA. In August 2011 STEP began as a pilot project with 8 Primary Schools and 7 Secondary Schools. A part of this project was the immersion programme where schools were paired with Hotels and Attractions. This pairing allowed the schools to work closely with their allotted Hotel and Attraction in various areas of interest, but in particular with the teachers who were given the opportunity of staying at the hotel and also experiencing the attraction. In some ways similar to the Adopt A School programme that used to be

vibrant many years ago and to this day some hotels are still working with their adopted school.

The STEP committee would like to expand the number of schools in the programme and to this end we encourage our hotel and attraction members to get involved in this most important initiative by signing up to be a part of the program.

### **Action Planning**

An Action Planning session for the Association is scheduled for 5<sup>th</sup> October 2012. The BHTA a few years ago commissioned “A study on the competitive tourism environment which Barbados faces – its challenges and solutions”. This study has become the “Bible” for many of the activities within the Association and over the past two years an implementation committee ably chaired by Roseanne Myers ensured that the study remained a living document. A large number of actions were implemented and it is prudent at this time for the Association to reassess where we are and to plan the way forward re further implementation over the next two years and of course to ensure that any other changing factors are included.

### **Human Resource Development Committee**

As you may be aware the current agreement with the Barbados Workers Union will expire on the 14<sup>th</sup> of December 2012 and the HR committee is currently discussing the upcoming negotiations.

Another issue that the committee is reviewing is the The Holidays with Pay Bill 2012 which is now before the social partnership and some employers have expressed concern with some of the provisions, particularly the basis of computing holiday pay. There is a meeting set with the Minister of Labour today at 2pm and the BHTA through our HR committee has provided our input and feedback on this bill and we will be in attendance.

## **Constitutional Committee**

I have convened a special committee which will be chaired by Mr Ian Proverbs to look at constitutional reform and some key issues within the Constitution that as the association has grown and changed require review – some of these are

1. Categorization of hotels
2. Leadership eligibility within the association
3. Groupings, Corporate membership and term limits
4. Term Limits for board members (suggested 2 years)

The committee will prepare a proposal for presentation to members for the next AGM in 2013 but quarterly reviews will be provided to members.

Ladies and Gentlemen, the items that I have highlighted are just a broad overview some of what your association has been working on over the past three months and while we are making some progress there is there is much that still needs to be done. It is important to remember that the strength of this Association is in its membership and I therefore call on all of you to stand up, get involved, provide your information when asked, do as much as you can to educate yourselves on the issues that affect our industry, involve your staff and your communities and speak up for tourism.

Before I close, I would particularly like to say thank Sue for her tremendous support as I have started in this role and also to the staff of the BHTA secretariat.

To my board for their service and commitment to the industry.

To Kathy Ann Gilkes at Al Hart Communications for assisting with my interaction with the media.

To the Media for their continued willingness to work with the BHTA to share our work and efforts on behalf of our membership and tourism on the island to the national audience.

To my husband Jaggs and my parents for their constant support.

To all of the persons in both my personal and professional life who have offered congratulations and encouragement.

And thank you most especially to Peter DeFreitas, Faye Best, Paul Collymore, Melissa Chalbaud and my entire Ocean Hotels team on whose support and professionalism I depend daily to facilitate me and allow me the time and space that I need to function effectively.

Ladies and Gentlemen I would like us all to keep in mind that Tourism is **OURS, WE** – each and every Barbadian and resident - are an integral part of the quality of the experience – **WE ARE Tourism** and we each have a responsibility to its success; we can and must all play our part!!