

Joint ICAO/UNWTO Roundtable 2016 ICAO Negotiation Event

Expanding Air Transport Access For The Benefit of Small Island States

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Introduction

- I extend the warmest of welcomes and the kindest of regards to each of you on behalf of Hon. Obediah Wilchcombe, Minister of Tourism, who strongly supports the *Medellin Statement*; and who believes strongly in the positive role that tourism plays in the growth and development of Small Island States
- Minister, who also serves as Chairman of CTO, is travelling and sends his deepest regrets that he could not be here with you today
- Before I briefly address the issue of aviation policy from a tourism perspective, Mr. Moderator, I think that it is extremely important to state that *the most important precursor* to effective tourism development is a Shared and Unified Vision for Tourism – from top to bottom:
- ALL POLICIES AND PLANS FLOW FROM THIS

Importance of A Shared, Unified Vision

- The Bahamas has been very successful in establishing a shared vision:
 - This is evidenced in The Bahamas' tourism structure:
 - The Promotion of Tourism Act, 1964 (which established the Ministry of Tourism) gave tremendous flexibility to the “Minister” to act;
 - The Bahamas Government gave private industry partners the ability to charge a resort levy, which is spent independently and in cooperation with government to promote The Bahamas.
 - I agree with my fellow panelist from Jamaica on the “Open Skies” approach. Only thing is that I have learnt from colleagues in Civil Aviation that “Open Skies” sometimes means more than it appears
 - Therefore, in The Bahamas, we would prefer to position ourselves as providing “Unfettered Access” to airlines wishing to serve The Bahamas.

Determining which Structure Works Best

- Each State has to determine which airlift strategy works best:
 - What will be the role of the National Airline? (The Ministry of Tourism has called upon Bahamasair – and Bahamasair has responded – when we needed to introduce scheduled service to key markets where we would have lost scheduled airlift)
 - What is the strategy for dealing with large Network “Legacy” carriers?
 - What is the strategy for dealing with low cost carriers?
 - What is the role (domestically) for smaller commercial airlines? Both the Minister of Transport & Aviation and the Prime Minister acknowledged in their earlier presentations the increasing role that these smaller carriers play in Bahamas intra-island transportation
- All of these things flow from a unified and shared vision for Tourism.

Cautionary Note – Fight For The Unified Vision

- However, even when there is a shared vision, policies could be implemented which are harmful to tourism growth.
- On the way here this morning, I recited a poem to myself (which I wrote recently) which is entitled, “Truth”. Here it is...

TRUTH

- TRUTH

Why lie when only truth will do?

Speak truth! And truth will speak for you.

Truth favours none, truth has no guile.

Truth chooses none; truth takes no side.

Truth fears no one, truth knows its way.

If called upon, truth has its say:

Oh ancient, sweet and bitter truth!

So unreserved! So absolute!

Yes, put on truth; for lies – atone,

Truth will lead you safely home.

TYRONE G. SAWYER ©

Ticket Taxes & Fees – to Selected U.S. & Caribbean Destinations

Airport Taxes & Fees Comparison, 2016			
To:	From:		Taxes & Fees
Nassau	MIA, JFK		\$141.73
Cancun	JFK		\$121.21
Punta Cana, DR	ATL		\$282.36
Bermuda	JFK		\$140.41
Barbados	JFK		\$147.57
Montego Bay	JFK		\$139.61
St. Thomas	JFK		\$140.41
San Juan	JFK		\$147.56
Aruba	ATL		\$99.66
St. Marten	JFK		\$114.57
Turks & Caicos	ATL		\$132.16
Ft. Lauderdale	JFK		\$50.04
Miami	JFK		\$49.34
Orlando	JFK		\$51.23

Source: expedia.com

Example of Policies that Impede Tourism Growth

- As you would see from the above, taxes & fees added on to the price of a ticket by Caribbean Gateways have been allowed to escalate to potentially harmful levels:
 - Nassau - \$141.73; Punta Cana, DR - \$282.36; Montego Bay - \$139.61; Barbados - \$147.57; Bermuda - \$141.41;
- Meanwhile, Florida gateways have maintained taxes & fees at much lower levels. e.g.
 - Miami - \$49.34; Ft. Lauderdale - \$50.04; Orlando - \$51.23

Connectivity

- In concluding, I would like to make a prescriptive suggestion to smaller States who may be looking to access airlift as a way to propel their development:
 - Perhaps you would consider looking, if you were in the Caribbean Region, to The Bahamas, Dominican Republic or Jamaica, each of which presently has significant inbound international seat capacity, and cut a deal where you could achieve connectivity to key tourist markets.
 - This would allow you to access these markets at less financial risk than you would face through a revenue guarantee agreement with a large international airline (Feel free to liaise with us if you feel that we could be helpful).

CONCLUSION

- It is our hope that this session would lead to prescriptive steps
 - We thank ICAO and UNWTO for being strong, unrelenting voices to enhance the sustainable growth of civil aviation to The Commonwealth of The Bahamas and to all sister countries
 - Have a great meeting!