



MINISTERIAL STATEMENT

By:

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Minister of Tourism and The Cabinet Office

First Quarter Tourism Measures 2023

19th May, 2023

Mr. Speaker, I rise this morning to share the first quarter tourism measures with this Honourable House.

Mr. Speaker, and Honourable Members will be aware that the Bermuda Tourism Authority has reported incremental growth in visitor numbers for the first quarter of 2023, signalling continued recovery in the industry. Our air leisure visitors were up eighty-eight percent over the same period in 2022 with the arrival of thirteen thousand, five hundred and seven (13,507) visitors. There were no cruise arrivals in 2021 or during the Q1 period in 2022 however, there were 13 calls in Q1 of 2023 and those thirteen calls generated twenty-two thousand seven hundred and eighty-four (22,784) visitors.

Therefore, **Mr. Speaker**, total leisure visitors (cruise and air) totalled thirty-six thousand, two hundred and ninety-one (36,291), an increase of 405.5%. What's more, **Mr. Speaker** estimated total expenditure by air visitors was \$36.2M and by cruise visitors was \$5.3M leading to a combined total of more than \$41M, a year-over-year increase of almost \$20M or 92%.

Mr. Speaker, as expected vacation and leisure visitors remained the biggest component of total air arrivals, contributing fifty-five percent (55%), followed by business visitors contributing twenty eight percent (28%). There was also growth in the visiting friends and relatives category, contributing thirteen percent (13%) of the arrivals during the period.

Mr. Speaker, data continues to show the strength of the U.S. as our primary visitor source. Sixty-two percent of our total air visitors came from the U.S. during the period. Canada

contributed fifteen percent, and the UK contributed twelve percent of our air arrivals. The remaining eleven percent was split between Europe, the Caribbean, Asia and the rest of the world.

Mr. Speaker, the average length of stay for business and leisure air visitors was five and six days respectively and thirteen days for those visiting friends and relatives.

Mr. Speaker, our air capacity during the period was seventy-three thousand, one hundred and seventy-five (73,175), which was up 9.9% over the same period in 2022. Our airline partners sold fifty-four thousand, two hundred and eighty-eight (54,288) seats to arriving passengers (including residents), representing a total load factor of 74.2%.

Mr. Speaker, the vast majority of the air arrivals or 68% stayed in our hotels, while 7% stayed in vacation rental properties, others stayed in a combination of boats/yachts, private homes or with friends and relatives. Hotel occupancy was 45.6%, while vacation rental occupancy was recorded as 57.5%.

Mr. Speaker, Honourable Members will recall the tracking of the economic impact from superyachts expanded in 2022 to include all yachts. During the period, yacht arrivals increased by 13.6%. A total of 25 arrivals vs 22 in the previous year. The economic impact from yachts was recorded as \$1.72M, a 164% increase compared to last year.

Mr. Speaker, the first quarter measures bode well for the revival of our tourism sector. In the first quarter of the year, the Bermuda Tourism Authority has been actively focused on igniting new relationships and implementing creative advertising strategies to promote the island. Notably, they became the first destination marketing organization (DMO) to utilize 3D billboards, situated in New York's bustling Times Square, effectively capturing the attention of the passersby.

Mr. Speaker, their successful "Lost Yet Found" campaign has garnered widespread recognition, showcasing the authenticity of the island and its unique offerings.

Mr. Speaker, to further engage visitors, the Authority hosted a range of captivating events, including Restaurant Weeks, the Celebrity Golf Invitational and Spa Month, providing unforgettable experiences for travellers. Furthermore, the sales team has been dedicatedly working to reestablish business connections and attract new opportunities.

Mr. Speaker, the Government looks forward to the renewed growth and development in the sector as we work with the BTA, BHA and other key industry partners to stimulate hotel development, secure increased air capacity, maintain cruise partnerships and implement programmes to ensure an exceptional visitor experience for all.

Thank you, **Mr. Speaker**.