



MINISTERIAL STATEMENT To the House of Assembly

by

**The Hon. W. Lawrence Scott, JP, MP
Minister of Transport**

Air and Sea Forecast for 2022/23

Friday 4th February 2022

Mr. Speaker, it has been said, “There is no tourism without transport”, and the future of Bermuda’s economic recovery depends on our air and sea visitation in 2022. Today I will share the estimated cruise and air passenger projections and highlight some of our intended Border Policies.

Mr. Speaker, it might be helpful to note that in 2019 our Cruise Strategy attracted 185 calls equating to 167 million dollars in economic impact. In 2021, during the height of the pandemic, Bermuda’s successful homeporting initiative with Viking Cruises and regular calls from Crystal Cruises and Norwegian Cruise Lines brought 36 calls and more than 18,000 visitors, translating to an economic impact of approximately 9.8 million dollars.

Mr. Speaker, our cruise projection for 2022 is 177 scheduled calls bringing approximately 280,000 cruise ship passengers and an estimated 103 million dollars in economic activity. Our cruise line partners and their passengers are eager to return to Bermuda, and industry analysts estimate a stronger comeback than our forecast.

Mr. Speaker, we have listened to the community, our cruise, air and hotel partners and will amend Bermuda's border policy framework, so it is similar to our major gateway cities. These intended changes will be implemented no later than the 7th of March, 2022.

Mr. Speaker, examples of border changes include the reduction of the Travel Authorisation fee from \$75 to \$40; the elimination of arrival and any on island testing for visitors who have their COVID vaccinations up to date, recognition of previous COVID infections, and reduced quarantine for unvaccinated residents. Additionally, cruise passenger and crew testing and quarantine procedures will now mirror CDC guidelines.

Mr. Speaker, our cruise line partners have diverse clientele; some focus on family vacations while others cater to adults. Our strategy allows Bermuda to remain agile so we can quickly respond to the seemingly ever-changing landscape within the industry, thus allowing us to remain competitive.

Mr. Speaker, our Air Service Development Strategy positions Bermuda to welcome an estimated 500,000 to 650,000 travellers through the L.F. Wade International Airport over the 2022/2023 fiscal year.

Mr. Speaker, Covid is not the only challenge this Government faces for economic recovery, given that Skyport has decided that now is the best time to implement a 6.2% increase in regulated airport fees. This Government believes the premature announcement of such an increase has contributed to airlines relegating Bermuda to a seasonal destination. Industry experts have stated that this increase places Bermuda's passenger fees amongst the highest in the world. It is a shame that we are locked into this contract with Skyport as it hinders our competitive advantage in addition to the millions of dollars paid for Minimum Regulated Revenue Guarantees and now increased cost for airlines doing business in Bermuda.

Mr. Speaker, the aforementioned cruise and air strategies have been formulated to allow us as a people and us as a country to use the recent setbacks and challenges as a set-up for a comeback!

Thank you, **Mr. Speaker**