

#### THE MID-TERM BUDGET REPORT BY THE MINISTER OF TOURISM & AVIATION THE HON. DIONISIO D'AGUILAR MARCH 10TH, 2021

# Fiscal Strategy Report

### Mr. Speaker

I have reviewed the December 2020 Fiscal Strategy Report – all 56 pages of it – and while, as a qualified accountant, I found it quite easy to read and digest, I know, for most people, who have no background or training in reviewing reports like this, it may have been a bit much.

So, Mr. Speaker, for the benefit of my Freetown constituents, let me break it down as I see it.

In 2019, the economy was doing well. The Government took in \$2.4 billion in revenue and spent \$2.6 billion, leaving a deficit of \$200 million – the lowest deficit in many years. Thank you again East Grand Bahama for a job well done while you held the chair in Finance!

In 2020, with the effects of Dorian and the onset of the pandemic, the Government's revenue decreased from \$2.4 billion down to \$2.1 billion and the Government's spending increase from \$2.6 billion to \$2.9 billion. So, revenue is down by \$300 million at the same time, spending is up by \$300 million that has the effect of growing the annual deficit from \$200 million to \$800 million.

Now, this year comes along. The rebuilding of Abaco is underway, far less tourists are coming to The Bahamas due to the pandemic and the effects of all of this is that revenue decreases from 2.4 billion in 2019 to \$2.1 billion in 2020 to \$1.7 billion in 2021. Meanwhile, our expenditures increase from \$2.6 in 2019 to \$2.9 billion in 2020 to \$3.0 billion in 2021.

To summarize, this year, we are taking in \$1.7 billion, we are spending \$3 billion leaving a deficit of \$1.3 billion. An unprecedented deficit, the largest deficit ever, which we all agree became necessary to cope with the ravages that Hurricane Dorian and this once in a century pandemic has wrought on the Bahamian people.

Every country is borrowing heavily to mitigate the effects of the pandemic. The United States, for example, just completed its third stimulus which, this lap, will amount to an eye popping \$1.9 trillion. All Americans making less than \$80,000 will be getting a \$1,400 check to help stimulate a rebound. While our Treasury doesn't have that type of borrowing capacity, governments the world over are borrowing heavily to keep their citizenry afloat.

But, Mr. Speaker, we all know that our \$1.3 billion deficit is unsustainable! You can't keep borrowing \$1.3 billion year

after year and not run yourself up on rocks. So, we have two choices, to reduce this record deficit, either you increase revenue, or you reduce spending, or you do a bit of both.

Let us all agree that it is hard to cut spending, even in the best of times, but especially in the worst of times. The Government has had to borrow hundreds of millions of dollars to keep its corporations and agencies afloat. These entities, like Bahamasair, have been so impacted by the pandemic that without way more government support than was ever anticipated, they would have gone under. The Government has also had to borrow hundreds of millions of dollars to keep civil servants employed and on the same provide food assistance, income support, to pay, unemployment benefits, small business loans, the list is substantial and the amounts substantial too. No government in the history of The Bahamas has done as much as this government, has spent as much as this

government, in such a short period to provide assistance to its people.

And yet, the cry from Rawson Square is always for more. We want more. The taxpayer needs to give us more. With spending already at \$3 billion, I can realistically say, that the taxpayer has no more to give. That is the reality. We can kid ourselves that there is more. But Mr. Speaker, there is no more.

Mr. Speaker, we can also reduce this unsustainable \$1.3 billion annual deficit by increasing revenue. While most people will say the only way to increase revenue is to increase taxes, I say no. We must, Mr. Speaker, grow back our economy.

As we all know, the effects of this COVID 19 pandemic have been devastating on the Bahamian economy. The lifeblood of our economy, tourism has been impacted beyond anything we could ever have imagined.

Cruise passengers which accounted for 5.4 million or 75% of our record breaking 7.2 million visitor arrivals in 2019 have totally evaporated and now we get absolutely zero cruise passengers. 5.4 million down to zero.

Stopover passenger, which accounted for 1.8 million or 25% of our record breaking 7.2 million visitor arrivals in 2019, are a mere 10% to 12% of what they once were.

Mr. Speaker, no matter what the pundits say, there is absolutely nothing that can replace tourism in the short term. I hear some people say replace tourism with agriculture. Mr. Speaker, using all of the accounting and financial background that I have, I just don't see agriculture replacing tourism anytime soon. Our tourism industry has received billions upon billions up billons of investment, employs 2 out of every 3 Bahamians and generates at least 50% of our GDP.

Given the significance of tourism, given our dependency on tourism, our recovery and the subsequent reduction of this massive \$1.3 billion annual deficit is contingent on the revival of tourism. Plain and simple! Our economy will improve when tourism improves.

And tourism will improve when persons feel safe to travel here, and tourism will improve when the current health situation improves in our core markets such that they don't need to go through the current riga-ma-roll of COVID testing and getting a health visa in order to travel to The Bahamas.

So, I encourage all Bahamians to get vaccinated as quickly as they can, especially those employed in the tourism sector. If our visitors are vaccinated and we are vaccinated, then we will be in a good position to blow open the borders and let the good times roll again. As the Prime Minister said last night, if we have low cases of COVID, as we do and our population gets vaccinated, income and employment from tourism will bounce to the record 2019 levels. Mr. Speaker, we are getting calls every day from Americans who have been vaccinated. "Hi! I have been vaccinated. Can I come to The Bahamas without getting a PCR test?" Right now, we have to say no, which is deterring some potential visitors. You must still get a PCR test because, if you come to The Bahamas vaccinated, but infected, then you run the risk of infecting a Bahamian who is unvaccinated and making them really sick.

Mr. Speaker, I am ready to be vaccinated. I want to be vaccinated. I will get vaccinated when the chance is offered to me. Our country, the revival of our critical tourism industry, employment, incomes is dependent on tourism and tourism, trust me, is dependent on people getting vaccinated. So, please, my fellow Bahamians get vaccinated. People in Freetown help your country, help yourselves, by getting vaccinated!

# **TOURISM REPORT**

## Mr. Speaker,

I consider it no small privilege that my portfolio as Minister of Tourism oversees this nation's most important industry. And just as it was with immense joy we watched 2019 numbers soar to record highs, it was with immense sadness as we watched 2020's numbers plummet—despite herculean efforts to inject much-needed life into an industry that was dealt a mighty blow—to record lows.

But we did not give up.

And I'm reminded of that scene in Rocky Balboa – when the broken, bloodied, bruised Sylvester Stallone says: "It ain't about how hard you hit... It's about how hard you can get hit and keep moving forward." And so, Mr. Speaker, this Ministry of Tourism has, and continues to plan to do just that. Keep... moving... forward. We have no option. Too many Bahamians are depending on us to keep moving forward.

But the reality is we really never stopped.

We have seemingly been in 'recovery mode' ever since Hurricane Dorian brought destruction to our shores in September 2019. The Bahamas Ministry of Tourism, facing what we now know was the first of two tremendous obstacles, immediately went to work adapting our messaging, our marketing, our motivation.

A few months later, and as the history books will show, we would celebrate the most successful year of Bahamian tourism. 7.2 million tourists! When faced with those unprecedented times, we recovered, we adapted, we moved forward.

Just as my Ministry successfully implemented a framework for Hurricane Dorian, so too have we put in place structures that have protected Bahamians and visitors alike.

This is not to say we have made all the best moves along the way. Indeed, we have faltered – personally, and as an organization. This was inevitable in the face of such an unprecedented set back that saw the whole world reeling. But we did not, nor have we given up, for, just as the Good Book says, a righteous man falleth seven times, and riseth up again; But the wicked are overthrown by calamity.

We have risen! We are still standing! And we will keep moving forward!

Mr. Speaker,

2020 was a year we will measure not by the number of arrivals to The Bahamas, but instead by the number of steps we took to safeguard our tourism product. Notwithstanding, the numbers tell the story completely and I believe that it is important that the Bahamian people understand exactly what we have been facing.

According to the UNWTO, in 2020, there were 1.1 billion fewer tourist arrivals globally – taking the world back to the levels of 1990. To put this another way, remember the financial crisis of 2008 and 2009.....well this pandemic is 11 times the loss of the 2009 financial crisis. 100-120 million direct Tourism jobs are currently at risk.

Experts, however, expect to see a return to pre pandemic visitor levels by the 4th Quarter of this year in the Americas and this increase continuing to surpass the rest of the world by 2022. Of particular note is that in 2020, The Caribbean saw an overall decrease in visitor arrivals of 67 percent. And specifically, The Bahamas was down by 74 percent year on year.

It is against this rather bleak backdrop that we worked assiduously to ensure that we were in a state of readiness when we re-opened our tourism industry. And so, our robust approach comprised of a number of pillars – the Tourism Readiness and Recovery Plan, the Ministry of Tourism and Industry Stakeholders' Clean & Pristine Designation, which is now complemented by the World Travel and Tourism's Council's Safe Travels Stamp, (and all the attendant training of industry participants to ensure they could actually roll out the protocols), and the Bahamas Travel Health Visa. Each component contributed another layer of protection in our complete defense against COVID-19.

The Tourism Readiness and Recovery Plan was a behemoth of an effort put together by the Tourism Readiness and Recovery Committee. As I have now communicated on a number of occasions, it comprised some 30 sub-committees and over 150 contributors from every single touchpoint of our tourism product.

It was our most cross-cutting effort to involve as many stakeholders in the decision-making processes of health and safety planning.

Through six tourism compliance workshops for health and safety, well over 10,000 tourism professionals were trained in COVID-19 health protocols over the course of three days. To date, the vast majority of the Bahamian hospitality sector, some 40,000 strong—from hotel staff, to cab drivers, to tour operators—have been trained and is adhering to our new streamlined health and safety protocols.

The World Travel and Tourism Council's Safe Travel designation was awarded to the Islands of The Bahamas in recognition for meeting enhanced health and safety standards. By developing protocols through coordinated public and private sector approaches, this Ministry added to travelers' confidence through obtaining a globally-recognized distinction in COVID-19 preparedness.

Indeed, The Bahamas Ministry of Tourism & Aviation left no stone unturned in its widespread efforts to combat COVID-19 within its most prized industry.

Mr. Speaker,

When we set November 1<sup>st</sup> as our re-opening date, we were leaning heavily on months of preparation behind every aspect of the tourism industry. I would venture a guess that not since Independence have so many minds, so many resources, and so many sleepless nights been devoted to a singular enterprise – the safe re-opening of the Bahamian tourism industry.

And so we inched forward. Atlantis re-opened on December 10<sup>th</sup>; Baha Mar and the Hilton followed shortly thereafter, Sandals Exuma opened at the end of February, and just last week the Rosewood and SLS have opened.

With the return of so many of our properties we remain cautiously optimistic that our tourism sector is doing their part in ensuring our rebound!

The gears of the tourism machine—for many months ground to a halt—are churning once again, albeit not on all cylinders. But...the pistons are beginning to fire, and we are moving closer to returning to the glory days of Bahamas tourism.

Mr. Speaker,

Running concurrently with our November re-opening was the introduction of a new, streamlined Health Visa platform. It should be noted that we first introduced the Health Visa Platform in July of last year, but work continued, and in fact still continues as we work to make it better and more efficient. We do hear the comments of the travelling public and work hard to decipher the constructive criticism and implement those changes that will help the process. But I want to acknowledge the dedicated Travel Health Visa Team and all the hardworking people involved in working around the clock, 24 hours a day, to create such a platform in record time. Their efforts need to be commended. Our Travel Health Visa is something that we should collectively applaud. The Bahamas was quick to pivot to a system that would assist in the return to travel in as safe a manner as possible.

In addition, everywhere I go, persons are applauding the timeframe in which a visa is approved. In most instances, the turnaround time is under six hours and certainly within a day. The screeners of the PCR tests, also embedded in the Ministry of Tourism and led by the indomitable Trevor Moss, have, by and large, done a fantastic job helping persons through the process and approving health visa applications in record time.

When others said it could not work, they stood and watched what we were doing and for many other countries, as the pandemic surged on, they slowly started to follow suit. We were the pace setters and we should stand proud!

For the past four months, we have received over 125,000 travel applications from both visitors and returning residents; since the New Year, we are averaging over 2,000 each day.

And, each month, Mr. Speaker, the number of visitors applying for health visa is slowly increasing. In November, our first month of reopening there were 14,000 visitors who applied. In December, there were 32,000 visitors who applied. In January, there were 21,000 who applied.....a decrease caused by President Biden's announcement that quarantining for persons returning to the United States from travel abroad was being contemplated....an idea that was later dismissed. In February, there were over 28,000 that applied. And for March, I estimate that close to 45,000 visitors will apply for a health visa given that Easter falls at the end of this month and the hotels are reporting healthier bookings.

So, as you can see, Mr. Speaker, the visitors are slowly returning, still a far cry from the 150,000 per month we were receiving pre Covid but increasing every month! I predict, Mr. Speaker that visitor arrivals will progressively improve during the course of this year culminating with a good Christmas when hopefully, all of The Bahamas and all of our core source markets like the US, Canada and the UK, will have been mostly vaccinated and the pent demand for travel will have been unleashed.

Mr. Speaker, I have been extremely proud of our opening. We all held our collective breath to see if the re-opening of tourism would in some contribute to an increase in the number of COVID cases. But, by and large, Mr. Speaker, the number of cases has been low. On most days, the number of positive cases is less than 5% of those tested. I am advised by the health professionals that if 5% or less of the persons tested, are positive, we have a handle on tings! And, on most days, I note that there are less that 20 persons in hospital for COVID – a far cry from August and September when the number of persons hospitalized for COVID was over 100 and we were building additional hospital beds. As a result, Mr. Speaker, the number of Bahamians dying from COVID has dropped dramatically. I am so happy that this has happened, although any loss of life is simply one too many!

I am also proud of the Bahamian people who have embraced the health protocols and contributed to the impressive results for which we have been internationally recognized and which has led to our upgrade by the Center for Disease Control (CDC) from a Level 4 to a Level 3. Mr. Speaker, this upgrade is truly a feather in our cap! There are 163 countries in Level 4, all them countries with plenty COVID and, remarkably, only 19 countries in Level 3. We are ranked by the CDC as being in the top one third as

opposed to the bottom two thirds of countries who have a handle on this COVID pandemic and, as the Prime Minister stated in his contribution, we are looking to move up to Level 2, which would place us in the top 15%.

But despite these numbers, despite the 125,000 air arrivals we have seen since November, and despite the fact that the number of COVID-19 cases brought about through tourism have been virtually non-existent, there is very sadly, and regrettably, a strong vocal minority—of both Bahamians and foreigners alike—campaigning to make you feel that the Health Visa is hurting our tourism product. It is definitely an impediment to travel but...

Let me be clear and direct. Since the onset of COVID-19, my Ministry's top priority has been to navigate this crisis in such a way that balances the public health and safety of all Bahamian citizens and residents FIRST, whilst also ensuring the safe re-opening of our tourism sector. This has not been a straightforward process, and as I have already said, we have certainly made a few missteps along the way. The complexity of every decision relative to protocols, entry guidelines, and the Health Visa framework weigh heavily on me and every member of my team.

At the beginning of the year, COVID-19 cases in the U.S. and indeed around the world HAD reached record levels, and new, more unpredictable strains of the virus have forced many nations to re-think their opening procedures.

When we made the decision to extend the existing safety measures instead of relaxing entry guidelines, we did so to prevent placing an overwhelming strain on our healthcare systems and practitioners. Quite simply, we were looking after our own, and protecting our Bahamian tourism product such that we would have an industry to welcome tourists back to in the future.

And so we kept moving forward.

As our competitor tourist nations in the Caribbean quietly implemented their own brand of Health Visas and testing requirements, they looked to The Bahamas for guidance!

Yes, Mr. Speaker!

Does it come as a surprise, therefore, that in Caribbean Journal's 7<sup>th</sup> annual Caribbean Travel Awards, The Bahamas was awarded Innovative Destination of the Year for its continued flexibility throughout the pandemic and setting a standard for destination entry practices?

So, when you hear persons claiming that our Health Visa and entry protocols are too cumbersome, too overbearing, too demanding for the American traveler – ask yourself what is truly at stake? Travelling in today's world is no longer easy and simple – those days are behind us and while we wait for their return we must be practicable and do what is in our best interest now. Our comprehensive COVID-19 response has reassured future visitors that they can and will enjoy their time in our country and has given them the peace of mind that we value their health and safety as much as they do.

In a post-COVID travel ecosystem, this is what matters most. As perceptions about travel continue to shift positively in our key markets—tourism research company Destination Analysts notes that over "55 percent of American travelers are in a ready-to-travel state of mind"—we must remain exceedingly vigilant. Our focus remains fixated on how best to responsibly carve out market share. Our numerous PSAs and island-wide campaigns are designed not only to encourage Bahamians to follow health protocols, but to remain transparent with our markets and, in turn, boost consumer confidence.

Destination Analysts say 77 percent of Americans feel it is important for brands to acknowledge COVID-19 in television and digital advertising. By stressing the

importance of wearing masks and adhering to social distancing guidelines, we are doing just that.

Indeed, this vigilance will keep us moving forward.

Mr. Speaker,

As of today, per the latest data, some 50.7 million Americans have received at least one dose of a COVID-19 vaccine, with over 25 million fully vaccinated. Today, providers are administering some 2 million doses per day.

While Bloomberg's vaccine tracker initially reported that it will take an estimated 8 months to cover 75% of the U.S. population with a two-dose vaccine, President Biden recently indicated that with the introduction of the new Johnson & Johnson vaccine on the market, Americans could now expect to be fully vaccinated by the end of May – two months ahead of what was originally forecasted.

The global vaccine rollout offers tourism destinations such as ours much hope in the months ahead. Vaccination campaigns are underway in nearly 80 countries around the world – including each of our core markets.

Many travelers are postponing travel plans until themselves and others are vaccinated, and the U.S. Travel Association estimates that "half plan to continue to avoid travel [altogether] until vaccines are widely available."

With our own vaccine efforts underway, an approach to normalcy is on the horizon... that is not to say it is around the corner... but we are certainly trending in the right direction.

All relevant market analysis signals that the more a country's populace is vaccinated, the more appealing that destination becomes for travelers. Airlines have been quick to take note. A recent *Washington Post* article noted that

"American Airlines is betting on country-specific, vaccinedriven tourism opportunities to drive traffic."

Where to? Israel – the country with the fastest vaccine rollout in the world. American Airlines is set to launch direct flights from JFK and Miami straight to Tel Aviv.

Israel is also about to be the site of the world's busiest cruise hub as Royal Caribbean has decided to deploy its newest vessel there in May.

Notwithstanding this, we cannot sit idly by as destinations around the world carve out valuable brand positioning as tourism rebounds. Israel's rapid vaccination of nearly half of its population has allowed the government to loosen its COVID-19 restrictions sooner than other countries; it will soon benefit from a first-mover advantage.

And so we know that a delayed vaccine rollout will prove another costly setback, one we cannot afford. It is why the Prime Minister and the Ministry of Health are working assiduously to see the first tranche of vaccines arrive on our shores, with a vaccination plan already in place.

Indeed, Mr. Speaker,

We have endured many setbacks. Tourism is down 74 percent worldwide, and our 2020 numbers paled in comparison to 2019's historic figures.

Recently, President Biden's quarantine comments—which have since been walked back—had a rather significant impact. It was actually refreshing to see an administration other than ours make, and retract their statements for a change...

The requirement for a COVID-19 test 72 hours before reentry to the U.S. at first convinced many travelers to stay home...but we were already well-positioned to meet this challenge with our day-5 antigen test. While other destinations struggled to put this infrastructure in place, our infrastructure was already in place across the archipelago because of our own protocols.

Mr. Speaker,

I am happy to report that many of our niche and high-end markets have been **well-positioned** for months as they have adapted to tourism's so-called new normal. One hotel operator in Harbour Island and North Eleuthera recently called me and said that whatever we were doing, as it relates to entry protocols, was working for him. His hotel was totally booked through Easter as discerning travellers actively sought refuge in The Family Islands, which are ideally set up for social distancing.....away from the big cities and population centers.

The niche markets—your diving, fishing, private aviation sectors—have actually seen a rather significant uptick in busines. I had one high end hotel operator here in Nassau

call me recently and note that—from a hotel perspective this Christmas was actually busier than last year! This is a hotel that caters to private yachters as well and so we continue to be appreciative of the business that boaters continue to bring.

In fact, it is because of this that I recently attended The Bahamas Charter Yacht Show in West Palm Beach, Florida. This two- day event was organized by the Association of Bahamas Marinas in partnership with the Ministry of Tourism and the International Yacht Brokers Association.

Participating in this show were 80 of the top charter brokers who book charters to The Bahamas, along with yachts. As a result of attendance at this show, I can say that The Bahamas has been added to many new brokers' schedules, and we have seen an increase in enquiries and charter yacht bookings to The Bahamas. In fact, one broker said that, in the past, the mega yachts (200, 300, 400ft) simply sailed by The Bahamas. There was a perception that our water was too shallow and therefore, not ideal for such large yachts. With the onset of COVID and the insane difficulties moving between countries and territories in the southern Caribbean with all the different entry protocols and quarantines that make yachting almost impossible in those areas, The Bahamas has been re-discovered as a gem for yachting. We have one set of easy to navigate entry protocols (with a quick turnaround time) and then access to 700 beautiful islands so near to their starting point in South Florida negating the need for a long flight either at the start or end of the journey.

Any success that we may be experiencing, therefore, is clearly an indication of the success of the health protocols and a reflection of our clientele buying into our re-opening process. Considering these niche markets support many of our Family Islands—those which are typically slower to rebound—this measured growth augurs favorably for Nassau's upcoming revival. Mr. Speaker,

Finding ourselves well-positioned to respond to fluid changes in the global travel marketplace is hardly an act of serendipity. Rather, a series of coordinated, behind-thescenes efforts—led chiefly by our formidable marketing strategy—keeps us ahead of the curve.

You may remember the media blitz after Hurricane Dorian... every one with a microphone and cameraman found themselves heading to Abaco to report on the damage. Those images broadcast around the world largely discounted The Bahamas as a viable destination – even though 14 of our 16 islands remained open for visitors.

We swooped into action by offering relief and recovery to the affected areas and spreading the message that the country had not been impacted to the extent that the world had been led to believe. We therefore leaned-in heavily on our established communication channels to tell that same message to the world – we were a little rattled, but we were still rockin'!

Mr. Speaker,

I stress the impact of our marketing efforts because a few familiar naysayers have questioned why we are still advertising in the U.S.

The reality is quite simple, and I will again be as clear and direct as possible.

We have a small marketing campaign localized in areas in the U.S. where we have airlift to The Bahamas. It's that simple. We have pulled advertising entirely from our European and Canadian markets given their inability to travel overseas, and instead are campaigning in earnest in South Florida. By embracing the available opportunities while we have the bandwidth to do so, we are not only supporting those airlines which are flying into our islands on low load factors, but also reminding those Americans who are keen to travel that paradise is as close as one hour away.

We are in the right zip codes, at the right times, to capture the right markets. It's no secret that to keep the hotels open and to keep the thousands that depend on those hotels remaining open employed, we need people to travel here. By leveraging our outreach globally—and indeed concentrating it in areas we need it most—we can take care of our tourism systems locally.

We have never stopped moving forward, so why would we tap out now?

Americans are traveling. We have what they are looking for – health, security and peace of mind, a clear demonstration

of health protocols, availability of niche markets, short-haul flights, and ample social distancing opportunities through the Family Islands.

We must remain engaged in our primary source market. To suggest otherwise would be tantamount to disregarding every step we have taken, every inch of forward progress, every ounce of energy directed solely at preserving the Bahamian tourism product.

Our competitors are already there – Jamaica, Bermuda, St. Lucia are running their own campaigns; we must remain the first choice for travelers when they decide to travel.

Mr. Speaker,

I would be remiss were I not to mention the work Team Tourism has done behind the digital curtain to maintain an outstanding digital presence in the tourism marketplace. Adjusting to the 'new normal' was certainly a great conundrum for this Ministry to unravel, but we have done so with the efficiency and professionalism our stakeholders have come to expect.

Our tagline has always been "It's Better in The Bahamas" – but it's only better when the visitors can experience for themselves the best hospitality the world has to offer. And so we've given them our very best virtual offerings.

We've become experts at webinars and virtual events – helping our sales agents host discussions such as safety precautions, island experiences, and hotel updates.

By partnering with airlines, tour operators, and other key Bahamas stakeholders, we've been able to keep both consumers and trade partners engaged. So far, global sales have reached some 20,000 agents, planners, and consumers – all digitally!

Virtual consumer trade shows allowed The Bahamas to maintain high visibility and promote increased stakeholder engagement at key events – such as the Fort Lauderdale Boat Show, AAA Travel Show, and World Travel Market.

These shows allowed us to not only grow our databases but to create more personalized opportunities through one-onone meetings with clients. In some cases, we were the only destination there!

Thanks to strengthened relationships with many of our key airline and tour operator partners, The Bahamas has been able to successfully support the future resumption of routes as well as maintain dialogue for the opening of future routes. Our strategic airline partners—American Airlines, Delta, JetBlue, and Air Canada—all partnered with The Bahamas through webinars focused on safety awareness which helped consumers see for themselves the aweinspiring beauty of our islands! Last, but certainly not least, The Bahamas experimented with a variety of new mediums to best align ourselves with the mass industry and to pivot to digital events. In November of last year, we held the first ever Virtual Diving Pavilion, allowing us to virtually showcase nine of the country's leading diving operators. The feedback from the industry was overwhelmingly positive – with some 450 'booth chats' and nearly 100 shares of our digital brochure.

In addition, just last week, The Bahamas' virtual romance expo titled 'The Bahamas With Love' was developed in response to a market (wedding, honeymoons, etc.) that was seemingly on life support but still resilient; still planning and celebrating memorable moments in the face of a pandemic.

Covid19 created challenges across the board, but as with everything, we needed to modify the way we do business to meet the moment. And so, even the romance sector carried on with truncated versions of elaborate gatherings, parties and celebrations called micro weddings. Instead of 200 guests, weddings were being paired down to 20-30 guests.

Surveying some of our industry partners like The Bahamas Association, members cited Bridal almost а 99% cancelation, or postponement trend across the board. The Bahamas virtual romance expo was in some way part of the Ministry's rescue and restoration plan for The Bahamas' very lucrative romance business which netted more than \$400 million dollars in revenue in 2019 and over 182,000 visitors. Given the trends of micro weddings, The Bahamas is ideally poised to lead in destination weddings with our multi destination and low- density offerings. The good news is that we are already seeing some evidence of rebound, although small, and our hotel partners and independent planners are receiving leads regularly.

Ideally an event like this would be in person but given the continuing challenges of doing so, a virtual expo was the only solution available. As we planned our expo, we

decided to tailor the programme to both the industry and the consumers on separate dates. On March 3, the expo was specifically geared to industry professionals, including travel agents, event planners and media. Over 1300 attendees tuned in from around the world including Europe, South America, the U.S. and Canada, eager to hear the latest on planning romance themed events or getaways in The Bahamas. On March 10<sup>th</sup>, the virtual show will be geared specifically to couples planning their romantic getaways and eager for inspiration and planning resources.

This customized event sought to bring together industry leaders, partners, hotels, venues and services for a truly unique and educational experience for participants. The event allowed our 15 hotel, Promotion Boards and Bahamas Bridal Association partners to connect directly with the trade community and prospective couples to share advice and ideas on planning romance themed events or getaways in The Bahamas. A unique chat and meeting feature at the show fostered open conversations and Q&As

among attendees. Attendees were also able to grab virtual business cards from our vendors and request follow up meetings directly.

I am told that compared to our competitors, the level of engagement on March 3 was unprecedented according to show organizers. From the minute the show opened to the finish, the participation was strong with no lulls at any time during the show.

Attendees were also treated to photo booths they could share to their social media channels, virtual networking lounges, live experiences, a virtual fashion show by a local designer, workshops, speakers and breakout panel sessions with some of the global industry's finest experts. And to conclude, a finale virtual Junkanoo Rush Out delighted everyone. This is an event that again, we can collectively be proud off as it demonstrates the innovative and out of the box thinking that my Ministry is currently engaged in.

Mr. Speaker,

These are but a few examples of Tourism's dynamic presence in the ever-expanding digital marketplace. We have sowed our seeds thoroughly and carefully such that when the time is right we may reap a bountiful harvest.

This solid reputation will put us in good stead as we continue to move forward in the coming months.

As we continue to update and revise our own methods to controlling COVID-19, we must understand that we cannot take a zero-sum approach to our ongoing re-opening. This Ministry is but one component of a complex network of

actors working to balance economic growth, tourism numbers, and COVID-19 cases.

We remain in constant communication with private companies, government officials, and ordinary Bahamians to learn fresh perspectives on how best we might keep moving forward.

We cannot move forward as a country if we are continually in the 'recovery phase,' and we cannot move forward as a people if we do not prepare for whatever uncertain times lay ahead.

Through this very challenging year, I have been honoured by the work of the professionals at the Ministry of Tourism and Aviation. They show up – sometimes even in the most challenging situations - and continuously, never giving up, even when the going gets tough. And so to all of them, I say thank you. We are all indebted to you. I also wish to say a public thank you to PS Charles Albury who recently retired as Permanent Secretary from my Ministry. PS Albury was a consummate professional. He was hard working, calm in the face of any storm, and even keeled at all times. He also ensured, in the nicest possible way, that I knew my parameters. He will be missed and I speak on behalf of my Ministry when I wish him every success moving forward.

Mr. Speaker,

We acknowledge that COVID-19 has presented this Ministry of Tourism & Aviation with a fresh set of challenges to be met, and obstacles to overcome. Progress thus far has been measured—though reassuring—and our expectations are tempered for the year ahead.

But so long as we're still in the ring, still taking the punches, we'll keep moving forward.

# **CRUISE TOURISM**

Mr. Speaker, before moving onto developments in Aviation, I just wanted to update the Bahamian people on the recent developments in the cruise industry and the Nassau Cruise Port project.

Mr. Speaker. One of the greatest accomplishments of this Hubert Minnis led administration is the Nassau Cruise Port project.

In late 2019, the Government of The Bahamas entered into a Public Private Partnership with Nassau Cruise Port Limited. NCP would invest \$250 million into redeveloping the port and, in return, it would gain a concession to operate the port for 25 years.

In May 2020, despite the onset of the pandemic and despite the complete shut down of the cruise industry, Nassau Cruise Port Limited was able to raise \$130 million of Bahamian money to carry it through its redevelopment thus far. This clearly demonstrates the confidence that Bahamians have in this project....and I am advised that there is keen interest to provide the additional funding it will need to complete the project by mid 2022.

NCP will have majority Bahamian ownership and all of its management and employees have been Bahamian from day one. Mr. Speaker, there was no need to hire non-Bahamians to run this company! Suitable, qualified, highly skilled and trained port operators existed in The Bahamas and so I am delighted to report that all 20 persons employed by Nassau Cruise Port Limited are Bahamian.

As everyone can see, the redevelopment of the Prince George Dock is very much underway. To date, over \$50 million has been spent on construction and, right now, over 2,000 feet of new piers is currently under construction.

Despite the pandemic, Mr. Speaker, the order book for new cruise ships remains intact with no cancellations being

received thus far, and over 100 new cruise ships are expected to be launched by 2027. In 2009 the first OASIS class cruise ship was launched, representing a new era of mega 6,000 plus passenger cruise vessels. The deployment of these new mega ships requires their marriage to mega berths. The Nassau Cruise Port redevelopment offers the industry six cruise berths, three of which will be able to receive the largest ships in the world.

In addition, Mr. Speaker, with almost 50 Bahamian companies engaged in this project thus far, I expect hundreds of jobs for Bahamians during the construction phase of the project especially when the building and landscaping components of the project gets underway. In addition, notwithstanding the Festival Place tenants, the Port is currently receiving retails concepts and Food and Beverage concepts from Bahamian companies only.

Prior to the pandemic, Nassau Cruise Port received just over 3.6 million passengers annually or 10,000 persons every day making it one of the busiest transit cruise ports in the world. Cruise executives advise that they expect for the CDC to have completed their review of the protocols to resume cruises by mid-year and for revenue cruises to resume in the Third Quarter of 2021 or early in the Fourth Quarter at the very latest. Mr. Speaker, the cruise companies are itching to go but the CDC is presently consumed with the vaccine rollout which should essentially be completed by June/July of this year allowing them to bring focus to the cruise industry.

Mr. Speaker, the new cruise port development in Nassau is creating keen interest by the cruise companies.

For example, Mr. Speaker, in the last six months of 2019, 682 cruise ships called into the Port of Nassau. For the last six months of 2021, this year, the Nassau Cruise Port has received 810 berth requests – an increase of 128 ships or a whopping 20% over 2019 which was a record year.

So, let us assume, Mr. Speaker, 2021 does not materialize, let us look into 2022. In 2019, the Nassau Cruise Port received 1,183 cruise ships. Right now, Mr. Speaker, on the books, there are 1,284 berth requests for 2022 which represents 101 more ship calls than 2019 or an increase of almost 9%.

So, Mr. Speaker, despite all of the naysayers, this project is quickly developing into a home run for the Bahamian people and The Bahamas.

And, let us also not forget that, under the former administration, the port was so run down that the Government actually paid the cruise companies millions upon millions of dollars in incentives, annually,to come to Nassau. Mr. Speaker, can you believe it they took over \$10 million of scarce taxpayer money every year ,sometimes as much as \$15 million a year, and gave it to the cruise companies; begging them to come Nassau by throwing my

money and your money, money we all worked hard to pay in taxes, by throwing that money at them in incentives.

Mr. Speaker, sometimes we undersell ourselves! Clearly, as it relates to the Port of Nassau, the former Government did just that! We have a country that is ideally set up for the cruise companies. Its proximity to the three busiest cruise ports in the world, Miami, Fort Lauderdale and Canaveral, make it a highly desirable destination. We don't have to pay no cruise company to come here. They all want to be here. They all want to come here. That is why they all spent hundreds of millions of dollars to develop their private islands and are actively looking for more venues to set up shop! We just have to make sure that these private island projects are tied into our population centers (Nassau and Freeport). You want to go to your private island, where you own everything and operate everything! Fine! But just remember, coming to Nassau and Freeport, is where you provide the most opportunities for our people! So, make sure you factor that in to your plans, and oh by the way, help

our Bahamian entrepreneurs to create venues and excursions in those destinations that will impact as many Bahamians as possible and encourage cruise passengers to spend more money in the destination.

I saw Carnival's comments in the papers. The port will not make the destination, the excursions will! I don't disagree but, when I came to office,all cruise lines, including Carnival, complained bitterly about the state of the port and wanted the Bahamian taxpayer, despite the money the PLP Government was paying them in incentives, to pay for its upgrade entirely! Now that we are doing the upgrade for which the cruise passengers will pay for through user fees, just like the airport, where the users of the airport are paying for that beautiful redevelopment; we now have a common purpose to make the destination even more desirable by developing interesting and creative excursions to enjoy.

Mr. Speaker, this FNM Government has created and given life to the Tourism Development Corporation headed up by long term Tourism Executive, Janet Johnson. Its sole purpose is to deepen linkages between the tourism industry and the domestic economy. We need tourists to spend more money when they come to The Bahamas. We need local businesses to sell more Bahamian made products, to buy more Bahamian made products, so that more Bahamians feel, in their pocketbooks, all of these tourists the Ministry of Tourism have been successful in bringing to The Bahamas.

And with Key West banning all large cruise ships and Cayman considering exiting the cruise business, our attractiveness as an environmentally conscious, business friendly destination just makes The Bahamas, and by extension, the newly renovated Port of Nassau that much more desirable.

And everybody understands that! All the stakeholders engaged in the cruise industry are excited about this project. Improved working condition, when the port is done,

more customers when the port is completed, who would not be supportive?

Mr. Speaker, I invite you to walk out to the Prince George Dock. The project is continuing, despite the pandemic, supported by Bahamian investors, no Government money needed or requested, managed by qualified Bahamian personnel, creating both construction and business opportunities for a myriad of Bahamian companies, all of which is being noticed by the cruise companies and leading to an increase in the demand for berths, which will ultimately positively impact every Bahamian business on Bay Street and every Bahamian business involved in the excursion business.

Mr. Speaker, this is powerful! And, let us not forget, that the cruise passengers will now be paying \$8.50 PLUS VAT to come to our new port whereas, under the former Government, the cruise passengers only paid 70 cents to get off a ship in Nassau.

Mr. Speaker, I also have another interesting development to report about the Port. Cruise companies are approaching us about the possibility of home porting in Nassau. Mr. Speaker, three companies have approached us about starting and ending their cruises right out there at Prince George Dock. And they want to start ASAP – as soon as possible.

Mr. Speaker, the economic implications of this development are significant. Cruise passengers would fly into Nassau, naturally complying with our current health protocols, either spend a couple of nights at a local hotel here in Nassau or just proceed directly from the airport to the cruise port to board their cruise. Then, they move about The Bahamas, to Freeport or their private island or to other islands in The Bahamas, and then return to Nassau where they can decide to extend their stay at one of our many hotels or proceed directly back to the United States via LPIA.

Mr. Speaker! This is new! An extremely exciting development that the Ministry of Tourism, the Ministry of Health, the Nassau Cruise Port, NAD, are all working together, diligently, to see if we can pull it off. Persons who start and end their cruise in a particular destination end up spending 5 times more than they typically spend in a destination where they pop in for a couple of hours. So, we are anxious to make this reality!

Mr. Speaker! Standby for further developments as they evolve.

Once again, Mr. Speaker, this is powerful!

### **AVIATION**

Mr. Speaker: I now turn to the Aviation component of my portfolio.

Mr. Speaker, the commercial aviation sector has been significantly impacted by COVID.

The Airport Authority, NAD, Nassau Flight Services and Bahamasair all rely on user fees to generate most of their income and use their government subvention to top up any funding shortfalls.

However, with the onset of COVID, and the implementation of rigorous new health protocols, air travel has dramatically decreased meaning that the fees that the Airport Authority, NAD, Nassau Flight Services and Bahamasair, have been able to collect from air travelers, have dramatically decreased also.

Mr. Speaker, for this budget year, 2020 to 2021,the following government subventions was anticipated:

\$19 million for Bahamasair

\$5.0 million for the Airport Authority.

\$1.5 million for Nassau Flight Services.

\$0 for NAD.

That totals \$25.5 million.

Mr. Speaker, with the decision by the taxpayer to fund these entities no matter what the cost, so far this year, up to the middle of this month, these government owned entities will have received the following in government support: \$49 million for Bahamasair \$8 million for the Airport Authority \$4.5 million for Nassau Flight Services

That totals \$61.5 million.

Mr. Speaker, the level of tax payer support for these entities is already 2.4 times greater than what was budgeted and we still have three and a half months to go until the end of the budget year.

I estimate, Mr. Speaker, that by year end, these entities will have cost the tax payer over \$75 million which is three times more than what was budgeted. We budgeted \$25 million but will probably spend \$75 million – an extra \$50 million that the tax payer has had to borrow to keep these companies afloat and everyone receiving their full pay.

Mr. Speaker, as you can see, these entities are costing the tax payer a fortune so I respectively ask the employees of these companies to understand and appreciate the difficulties that the Treasury sometimes experiences when trying to fund these unbudgeted expenses.

Bahamasair, of course, is incurring the most losses. With the current health protocols in place, a PCR test needed to travel domestically from Nassau and Freeport and, in some cases, travel back, load factors are very low. As such, Mr. Speaker, the only way to stop the hemorrhaging of cash at the national flag carrier is to get our people vaccinated allowing the government to remove the health protocols and people traveling again.

### FAMILY ISLAND AIRPORTS

Mr. Speaker – let me now turn to Family Island Airports.

Mr. Speaker, I am delighted to report that we are well advanced in our Family Island Airports Redevelopment Strategy.

Mr. Speaker, given the success of the PPP model at the port and the success of the PPP model at NAD, the Prime Minister recently announced at the Bahamas Business Outlook the intention of the Government of The Bahamas to use a Private Public Partnerships to redevelop our Family Island Airports.

Mr. Speaker, our Family Island Airports require well over \$250 million in capital improvements – new terminals, new runways, etc and clearly, the tax payer is challenged to fund such ambitious capital projects from its annual budget.

So, once again, the Government is turning to private money, tapping into the many billions of Bahamian Dollars sitting in local banks, making very low interest rates to assist the Government in fixing up, renovating, expanding some of it critical Family Island Airports.

Mr. Speaker, it has taken some time to develop this strategy. The first step was legally defining all of the airports since, in many instances, these airports has simply evolved. When entities invest in a project, they want to know what they are investing in. And so, we have had to survey all of the relevant airports, define what land makes up that airport and then transfer ownership of that land from the Government and, in some cases, private owners, to the Airport Authority which is the vehicle the Government intends to use to manage all of its airport assets.

Next, we had to secure funding. We had to build the case that, if you invested in our Family Island airports, contributed cash to bring about its redevelopment for the betterment of the people and economies on that island, then we would provide you with a return on your investment from the user fees that would be paid by the persons using that airport.

Mr. Speaker, this is very normal. When LPIA was built, almost half a billion dollars was borrowed to build what we have today. And the repayment of that half a billion is to be made, not from the treasury, not from the taxpayer, although the effects of this pandemic may temporarily change that but from the users who travel through the airport.

Well, we intend to use the same plan in the Family Islands. Funds are raised and repaid through Passenger Facility Charges.

Mr. Speaker, we have secured the funding to complete four airport projects: Exuma, Long Island, Eleuthera and Marsh Harbour. We expect that these four projects will cost approximately \$175 million with \$32 million coming from the Interamerican Development Bank (IDB) and remaining \$143 million coming from a wide array of local investors via a leading local financial institution.

Mr. Speaker, the \$140+ million that has been secured from this leading local financial institution is a nonrecourse transaction to the Government of The Bahamas, i.e., this debt will be financed by the projects' cash flow and will not be an obligation of the Government of The Bahamas and NOT reflected on the balance sheet of the Government of The Bahamas.

Mr. Speaker, the local financial institution will source its funding from as many investors as it can and I have been advised that there is high degree of interest in these family island airport projects. So, I remain hopeful that the necessary funding will be secured to make these airports to a reality and bring to the Family Islands the investment that they need and want to make these critically needed airports a reality.

Mr. Speaker, our very ambitious airport redevelopment includes the following:

- Exuma International Airport This project is expected to cost approximately \$65 million. \$53 million will come from the local institution and \$12 million from the IDB. A contract is concurrently being finalized for this airport with a Bahamian construction firm and a airport management company is being sourced to manage the construction and then manage the airport once completed.
- 2. The Long Island International Airport at Deadman's Cay – This project is expected to cost \$18 million – all of which will be provided by the local lending institution. This project is going out to tender within the next 14 days and we expect to award a contract to a Bahamian construction company to build a new

18,000 sq. ft terminal and a 6,500 ft runway in Deadman's Cay, Long Island.

- 3. The North Eleuthera Airport This project is expected to cost approximately \$65 million also since it needs a completely new runway. \$47 million will come from the local institution and \$18 million from the IDB. This project is in the final stages of planning, and pending the land acquisition, that I will talk about in a few minutes, will go out to tender within the next 6 months.
- 4. The Leonard Thompson International Airport in Marsh Harbour - This project is expected to costs approximately \$10 million to improve the terminal building, and to rebuild the Air Traffic Control tower and the General Services Building.

Other airport projects in the pipeline include:

- 5. The Great Harbour Cay Airport in the Berry Islands which is significantly advanced and we hope to open this new facility within the next 6 months. The cost of constructing this new airport is approximately \$15 million and has been financed exclusively by the taxpayer. However, we intend to transfer these costs over to the PPP facility, thereby creating more headroom for the Government to do other projects.
- 6. The Treasure Cay Airport is to be completely rebuilt at a cost of \$1.7 million. This new terminal facility will be completely financed by the IDB who already had a facility in place to do some capital works at this airport.
- 7. And Mr. Speaker, as previously confirmed, the Government of The Bahamas, through the Airport Authority, is on the cusp of acquiring the Grand Bahama International Airport.

Mr. Speaker, the Grand Bahama International Airport has been the victim of a number of weather events which has motivated the current owner, Hutchinson, to express a desire to offload this asset. The Government will purchase the property for a nominal price and establish a legal construct where they are not obligated to pay any amount to the Port Authority in fees. The Government will then hire a consultant to advise it on how best to redevelop that airport given the high probability of another weather event impacting that airport.

Mr. Speaker, it makes no sense to me to build back the same type of airport i.e. close to the ground, and not at least, consider quite seriously the impact of hurricanes and flooding on that facility. It has happened twice in recent memory so we must consider how to make that airport more resilient when we contemplate its redevelopment. Upon acquisition, the GOB plans to invest approximately \$1.5 million in capital improvements to the airport facility in the short term, and then, after receiving a report from the consultants on the way forward, enter into a PPP to redevelop this airport.

Mr. Speaker, as you can see we have an ambitious family island airport redevelopment plan. We will execute a contract with a global firm within the next 30 days to lead the search for the best fit partner for the Government of The Bahamas for the continued development and management of the GBIA and our Family Island Airports. One part of the strategy has already been satisfied, the financing – we are now working on the development and management of these airports.

Mr. Speaker, in order to carry out this ambitious Family Island Airport Redevelopment plan, the Airport Authority needs, as I previously mentioned, to acquire the land upon which to embark on these projects.

The Government will utilize its ability to compulsorily acquire the land understanding that, under the terms of such an action, it must compensate the purchasers from whom it is acquiring the land. I note the issues raised by some persons in the Commonage in North Eleuthera and the Airport Authority will seek to determine and digest and accommodate such requests. Not being a lawyer, Mr. Speaker, and, as such, have firmly delegated this issue to the Attorney General's office, I am sure that they will follow the law as it relates to compensation.

Within the near term, therefore, Mr. Speaker, I will be tabling the various resolutions in this House of Assembly to finalize this part of the transaction.

The final project that the very busy Aviation Ministry has been rolling out is the implementation of completely new and modern Baggage and Passenger Screening regime at LPIA.

Mr. Speaker, when I came to office, there were constant equipment failure as it related to baggage screening at LPIA, meaning that passengers were often asked to carry their baggage down to the western end of the terminal and leave it there as baggage was manually loaded onto the belt to go into the baggage screening equipment. It was a mess so we decided to, upon the recommendation of the Airport Authority management, to upgrade the equipment and add an additional baggage screening machine. In addition, we decided to upgrade the passenger screening equipment so when you next go down to LPIA, you will be greeted and screened by the equipment you typically see in other airport. Hands up, over your head, everything out of your pockets, you all know the time! This equipment is state of the art and put us in good stead with our preclearance partners, the TSA, who have been advocating for this equipment for guite some time.

This project will cost \$10 million and will be paid for through airport user fees. The passenger and baggage screening equipment should completely be installed by August/September of this year and then we will move to the Family Islands to rollout new equipment there also. An RFP has already been issued for this project and bids are expected within the next 4 weeks.

So, as you can see, Mr. Speaker, we have an extremely busy Department of Aviation which is ably led and managed by its Director, Mr. Algernon Cargill. They have plenty projects in motion and he and his team are fantastic job. Mr. Speaker, we have a viable plan. We are going to bring the Grand Bahamas and a number of Family Island airports into the 21<sup>st</sup> Century and we are going to invest in their redevelopment.

## **GRAND LUCAYIAN**

Mr. Speaker, the last topic that I am going to speak on is the Grand Lucayan.

Mr. Speaker, there is no doubt that this project has taken many twists and turns but I want the people of Grand Bahama to know that myself and the Minister of State for Grand Bahama, the Hon James Kwasi Thompson, have spent countless hours trying to bring this project to a conclusion.

Mr. Speaker, as you can imagine, it has been difficult to get these deal done. Back in March 2020, we had a deal. Signed and sealed! And then the pandemic struck which significantly impacted the lead investors in that project, Royal Caribbean and the ITM Group. Both of those companies are significantly involved in the cruise business and, as we all know, they have been at a dead stop since March of last year. Mr. Speaker, trying to sell a hotel, which was first impacted by one hurricane, then impacted by another hurricane in the middle of a pandemic is to no easy task.

While the journey has been long, and at times, very painful, I think we are nearing the end of the journey. The terms have been essentially agreed and, having the sale of the hotel tied to Royal Caribbean and ITM first striking a deal with Hutchinson Ports, has made this transaction that much more complex. But I think all of the ducks have been lined up and we are nearing completion. I remain hopeful!

I have noted, with interest, the Opposition's continued opposition to this project. I remind the people of Grand Bahama that the PLP did not wish for us to buy this hotel. They wanted it to sit and, I guess, go the way of that other hotel which sits abandoned and an eyesore in the downtown Freeport area. But we said NO WAY! No matter the cost, and it has been costly, we were going to do what

we could to save that hotel. And that is exactly what we intend to do. We owe that to the people of Grand Bahama.

### **FREETOWN**

Mr. Speaker, I want to end my presentation with an immense thank you to the people of Freetown for allowing me to serve in this place on their behalf.

Mr. Speaker, I have represented Freetown for almost four years now and have thoroughly enjoyed meeting and fellowshipping with my constituents and trying, to the best of my ability, to serve their interests in this place.

Mr. Speaker, a few condolences. First, I would like to extend my condolences to the family of Virginia Miller her mother Jeanette Thompson both of whom recently died. They both lived in the Coppit over Wulff Road and I very much enjoyed their wise advice and the time that we were able to spend together. Second, I would like to extend my condolences to the family of Rita Thompson of Abraham Street. Rita was a lovely lady...feisty and extremely community minded. We grew quite close in the later years of her life and I will sorely miss his constructive feedback and our long chats on the phone.

Third, Mr. Speaker, I would like to extend my condolences to the family of Ms. Lovely Rolle of Clarke Lane. I am not sure if she was a supporter of mine but she was, as her name suggested, a lovely woman who recently invited me into her yard, which is seemingly a gathering point for the community, to partake in a slamming game of dominoes. What fun we all had and so, I was saddened to hear of her loss.

And finally, Mr. Speaker I would like to extend my condolences to the family of Dave Bastian. Dave was a hardcore, diehard, FNM who was extremely supportive and for whom I had the greatest of respect. He was a quiet decent man who was not afraid of hard work and could also

be counted on to deliver on anything he had promised to do. I was shocked to hear of his passing and shall sorely miss his support as we enter this new election cycle.

Mr. Speaker, Kemp Road seems to be in the grip of a crime wave with gang members being killed with seemingly greater regularity than before. There was recently a murder on Coopers Terrace and last week another one on St. James Road and, from what I can tell, these killings are revenge killings bringing a serious level of concern to the residents of the northern portion of the Kemp Road community. I implore the police to deploy additional resources to this area and take whatever steps they can to bring an end to these senseless killings. I know that the RBPF is stretched thin but whatever can be done to flood the community with a robust police presence so as to deter these killings would be greatly appreciated.

Mr. Speaker, the effects of this pandemic on the Freetown community have been devastating. A huge number of my

constituents were employed in the tourism sector from hotel workers to hair braiders to Cabbage Beach vendors to taxi drivers, to jet ski operators, you name it, they were employed in huge numbers. The impact of this pandemic has clear for all to see and, as this pandemic drags on, the deeper the effects become. I just want to assure my constituents that, as the Minister of Tourism, I am working as hard as I can to turn this horrible situation around in the quickest possible time. But I see the homelessness, I see the food insecurity. I feel the pain and that motivates me to work harder to, once again, create opportunities for my constituents to gain the dignity of a well-paying job.

In addition to the economic crisis, we also face a mental health crisis in the Free Town constituency. As the pandemic continues to negatively impact the daily lives of Free Town constituents, I have noted and been advised of an increase in drug and alcohol addiction, gambling addiction, depression, anxiety and domestic violence. Mr. Speaker, the non profit and mental health organizations that assist Free Town constituents dealing with mental health issues (Alcoholics Anonymous, Narcotics Anonymous and People Helping People) are crying for an easing of the restrictions to allow them to meet and go to work assisting persons. I shall do my endeavor best to help those organizations get back into the business of saving people's lives.

Freetown has its fair share of infrastructure concerns which I am attempting to address. Hillside Street needs to be paved and I have been assured that the Ministry of Works is working on that now. Not sure what happened to the Village Road repaving project but I am sure financial constraints have deferred that project into next year's budget.

Street lights are a major concern and given the financial constraints that BPL has in solving this problem, I am going to use an approved private contractor to get as many of the lights on as possible. Obviously, if it is just a bulb issue, the private contractor can do that...but BPL will need to deal with the more complex electrical problems and the vines and trees that have grown up and around a number of streetlights.

Mr. Speaker, the long awaited reconstruction of the Anne's Town clinic is finally underway. The community of Kemp Road has long advocated for its redevelopment so I am glad to see it finally happening.

Mr. Speaker, I am excited about the construction of a Kemp Road Community Centre on William's Lane, right next to the Anne's Town Health Clinic, via the Citizen Security and Justice Programme of the Ministry of National Security. While, undoubtedly, there have been delays in this project, due to the Covid19 pandemic, I am assured that its construction is about to begin. Mr. Speaker, I have supported the two public schools in my constituency from day one since I was elected. The schools are the Sister Annie Thompson Government Pre School and Uriah McPhee Primary School. I would like to thank all of the Ministry of Education staff and teachers as they continue to educate hundreds of students in the Free Town constituency. I am aware of the various maintenance issues faced by Uriah McPhee (typically airconditioning) and am in constant communication with the Minister of Education to bring resolution to those issues.

Mr. Speaker, my constituents are asking the Parliamentary Registration Department to make available a registration centre closer to the Free Town constituency to facilitate the registration of more constituents from Free Town.

Now, Mr. Speaker, I encourage all Free Town constituents eligible to vote to register and prepare to exercise their democratic right to vote in the next general election, but I do hope you vote for me! I call on the Parliamentary Registration Department to consider opening a registration centre, even if only for a few days a week at either the Shirley Street Post Office or at the Kemp Road Community Library by Uriah McPhee Primary School.

#### Okra Hill Hotel:

Finally Mr. Speaker, there are too many derelict buildings in my constituency. One particular property which needs to be addressed by the Department of Environmental Health, the AG's office, and MOPW is the old Marietta's Hotel on Okra Hill. The property is a hazard. Two people have been murdered in the building over the last 10 years. There have been numerous fires which have impacted residents in the area. There are hordes of rats. The building is basically an illegal dump site. Mr. Speaker, I am calling on the Minister of Environment, The AG, and the Minister of Works to work their magic and remove this eyesore from my community! My Speaker, this ends my presentation. Once again, I thank the good people of Freetown for their continued support. I look forward to interacting and fellowshipping with them on the campaign trail and may God continue to bless the Commonwealth of The Bahamas.

Freetown supports this midterm budget and the 2020 Fiscal Strategy Report.