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**Deputy Premier of the Cayman Islands**  
**Minister of District Administration, Tourism & Transport**

Keynote Remarks  
Cayman Islands Tourism Showcase

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Westin Grand Cayman Resort

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Distinguished Guests,  
Ladies and Gentlemen,  
Good Morning:

I am very pleased to extend a warm ‘Caymankind’ welcome to you, our partners in industry, guests and business associates – and particularly to our distinguished guest speakers.

We are very happy that you are joining us for this Tourism Showcase which we are proud to be hosting in the Cayman Islands for the second time

It is my distinct pleasure to join you for what I am sure will be an insightful conference.

Many of you who know me are aware that tourism is a subject that is close to my heart. This is because of the role that it plays in creating a prosperous and sustainable future for the Cayman Islands and the opportunities it provides for our people.

### **Our Foundation**

The Cayman Islands are not ‘resource-rich’ in the traditional sense but we are certainly ‘resource-full’ in the sense that we work hard to make the most of the attributes which we have been blessed with.

Being situated just an hours flight from Miami provides a close and convenient link to the USA – where our primary source market originates.

Our two international airports are well serviced by some of the world's leading airlines and though we don't observe Daylight Savings Time, local time is never more than an hour's difference from Eastern Standard.

More than 135 different nationalities reside in Cayman making us easily the most diversely populated islands in the Caribbean.

Aside from the friendliness of our people and the natural beauty of our surroundings above and below the beautiful Caribbean Sea, we also have modern infrastructure and state-of-the-art communication systems, placing us on par with the best in the world.

## **Competitive Advantages**

These are just some of the competitive advantages that make our jurisdiction stand out from anywhere else in the world. When you add the fact that we are politically stable and have no form of direct taxation – not on personal or corporate income, not on profits or gains from investments; not on properties or foreign exchange, it's easy to understand why investors and tourists are drawn to our shores.

The Cayman Islands currently ranks as the sixth largest financial centre and roughly 80 percent of the world's hedge funds are domiciled within our shores. Moody's, one of the world's foremost financial rating agencies affirms our credit worthiness to be triple A; a ranking we have retained since the year 2000.

## **Economic Indicators**

Economic experts regard the Cayman Islands as being stable and strong and key economic indicators confirm that our economy

remains on the path of long term stability. In fact, Caribbean economist, Marla Dukharan who is one of our speakers today, described the Cayman Islands as “The best run economy in the Caribbean driven by strong leadership, fiscal prudence and private sector led growth.”

I trust that we have retained that opinion when we hear from Ms.Dukharan later.

### **Tourism Industry Updates:**

As Minister with responsibility for the tourism sector, I am happy with where the industry stands and am pleased to have this opportunity to provide this update on some of our latest developments.

### **Visitor Arrivals:**

2017 was a historic year for our tourism industry. Combined air and cruise arrivals amounted to 2.1 million visitors and for the first

time in our history stayover arrivals topped 418 thousand – which was up 8% - over 2016.

Our tourism industry's remarkable growth trend has continued into 2018. Air arrivals year to date are up 13.1% which equates to 38,710 more stayover guests. On this basis we are optimistic that our target of 440 thousand air arrivals will be met by year end.

### **Room Stock and Market Diversity**

Growth in arrivals is driving expansion in our accommodations sector. Capacity across all three islands currently stands at 597 properties offering 6524 rooms, and this is expected to increase by 20% over the next 2 years.

Incremental growth is occurring in condo and guest house accommodations, indicating that more small businesses are becoming part of the tourism product. For example there are now

over 470 properties registered with Airbnb and further growth is anticipated over time.

Several large Hotels and smaller boutique properties are also in progress at various stages of development. These include:

- A new 351 room **Hyatt Hotel** and Residences which is slated for Pageant Beach in George Town and will include 25,000 square feet of indoor meeting and event space. This project is being led by the Howard Hospitality Group, who are also opening a new boutique Hotel (**‘LoCale’**) on the Seven Mile Beach corridor targeted at millennials.
- Last Fall, the **NCB Group** announced construction of a 60 room boutique Hotel also on Seven Mile beach. While the brand has not yet been announced, it is anticipated to be an internationally renowned hospitality brand.

- In 2017 Dart Reality Development acquired the former Grand Cayman **Hyatt and Beach Suites** hotels and we look forward to hearing more on their development plans for this property in due course.
- Outside of George Town heading East, preliminary works have begun in preparation for the 200 room **St. James Point Hotel**; which is a \$250 million dollar project located in Bodden Town.

This range of new international Brands will bring several benefits. In addition to adding interest and diversity to our accommodations sector, they will help to attract visitors that are loyal to those brands, who may not have previously considered our Islands as a vacation destination.

The variety of large and smaller boutique styled properties should also assist our valued travel and trade partners, by boosting their

ability to market the Cayman Islands cosmopolitan, yet diverse range of accommodations options.

### **Government-led Infrastructure**

These, and other new developments, coupled with our rising population and growing tourism industry are driving a corresponding need for upgrades and expansion to our Islands infrastructure.

Government is working hard to meet its obligation in this regard in order to help create an environment for success.

### **ORIA**

Upgrades to our international airport in Cayman Brac were completed in 2015 and the phased expansion of the Owen Roberts International Airport here in Grand Cayman, is on schedule for completion in December this year. Once completed, the airport will comfortably be able to process 2.7M passengers annually and

will offer triple the space in the terminals for ticketing, arrivals and departures, as well as more space for retail, restaurants and offices.

### **Runway extension**

In addition to the redevelopment at the airport, work has commenced on a design to enhance and lengthen the airport's runway. This will improve our ability to service more long haul flights, particularly from gateways on the West Coast of the United States (Los Angeles) as well as Canada (Seattle, Calgary.)

### **Airlift**

The Cayman Islands are currently served by several major airlines (American, Delta, JetBlue, WestJet, Southwest, Air Canada and British Airways) which offer service from the United States, Canada and the United Kingdom.

Our own National Airline, Cayman Airways, also operates non-stop jet services between Grand Cayman and major US cities, as

well as to regional destinations in the Caribbean and Central America.

In addition to the current scheduled services I am very pleased that a number of airlines are showing confidence in our destination by increasing their routes and seat capacity. For example:

- **JetBlue** will begin daily nonstop service from Fort Lauderdale starting October 25th. This is in addition to its current flights from New York and seasonal service from Boston.
- **American Airlines** is adding a seasonal flight from Chicago starting this winter. The weekly Saturday flight will begin on December 22nd and continue through April 2019.
- **Air Canada** will be upgrading to a Boeing 737 which will add 72 more seats from Toronto.

- **Southwest Airlines** began a new weekly service from Houston in June.
- And **Cayman Airways** will begin offering service between Grand Cayman and Denver in March 2019.

### **Cruise Berthing Facility**

While air arrivals are an important part of our tourism industry, over 1.7 million of our visitors arrive by sea. To increase passenger convenience and allow more time ashore, government's vision is to provide a cruise berthing facility that will greatly enhance the on-island experience.

### **Collaborative Market Development**

Against this backdrop of development my Ministry continues to work hard in partnership with the private sector, to continually create more of the meaningful and memorable experiences our guests look forward to.

As a destination we have put a great deal of effort into developing core industry sectors such as weddings and honeymoons; strengthening our dive and cruise tourism sectors and transitioning our business models to include couples and multi-generational families.

These efforts are geared to ensuring that every visitor to our shores has an unforgettable, top class ‘Caymankind’ experience that leaves them yearning for more and returning often.

### **Opportunities through Growth**

Our research confirms that 50% of our visitors are returning guests. This is a high rate of return which I hope will provide our industry partners with the confidence of knowing that when you recommend a Cayman Islands vacation, you can count on that business returning.

I cannot over-state how important tourism is to our economy, or emphasize enough the difference it makes to the people and families whose livelihood are dependent on the industry's success.

With tourism being one of the pillars to our economy, industry growth from new and repeat guests translates into a range of benefits which have a direct, positive impact on our people.

When you, our travel partners and influencers, market our Islands and bring visitors to our shores, you are helping to keep businesses operating and creating jobs and opportunity

Increased visitation also means more revenue available to government to fund the enhanced infrastructure I spoke of earlier, and helps to provide education, healthcare and social services for our citizens.

## **Hospitality School**

As a Government we are striving to bring more Caymanians into the industry, where they can interact with visitors and add a higher degree of ‘authenticity’ to the Cayman Islands product.

One way we are achieving this goal is through our School of Hospitality Studies which is helping young Caymanians attain the internationally accredited qualifications they need to be successful in our tourism industry.

## **National Tourism Plan (NTP).**

While we continually strive to renew, rebuild and reinvigorate our tourism product, we are mindful that change must be supported by strategic initiatives and long term planning.

To this end, a National Tourism Plan has been developed through a consensus-oriented process. It provides a roadmap for enhancing the competitiveness of our tourism industry, in ways that will ensure the sustainability of our cultural and natural assets, and

maximize and spread the benefits from our growing industry throughout our islands.

### **Three Island Experience**

I should point out that most of the developments I have discussed are taking place in Grand Cayman, the largest of our three Islands. But I would not be forgiven if I did not acknowledge that our tourism product spans three distinct and unique experiences in one destination.

Grand Cayman as you might have guessed is the more cosmopolitan hub and centre of activity, while the Sister Islands of Cayman Brac and Little Cayman offer solitude, tranquility and pristine natural resources.

### **Dive industry – Dive 365**

No discussion on the Cayman Islands product would be complete without some reference to our incredible underwater experience, which is regarded as being among the best in the world.

With 378 dive sites which include several wrecks, as well as plunging coral walls, allows divers to enjoy a new dive experience every day of the year.

### **Acknowledgement and thanks**

Partners in tourism, while it is gratifying for me as the tourism Minister to speak about our tourism industry in glowing terms, I am cognizant and the Cayman Islands could not be a viable and successful destination without your support.

We greatly appreciate your hard work, collaboration, innovation and I would like to take this opportunity to assure you that the Cayman Islands is a destination that you can continue to count on.

Our commitment to providing innovative, attractive and well thought out travel incentives, packages and promotions is unwavering, and our goal at the Ministry and Department of Tourism will always be to provide an unforgettable 360 degree Caymankind experience.

I thank you all for taking the time to join us at this tourism conference and trust that your time with us will allow you to familiarize yourselves with our product and service offerings. I also hope you will sample our cuisine and attractions and please be sure to meet and mingle with our wonderful people.

That is the only way to see for yourself why the Cayman Islands are recognized by Forbes Magazine as “The Friendliest Island in the world!”

On behalf of the Ministry of tourism I thank you for your partnership and loyalty and look forward to working with you, for many years to come.

Thank you.