



JOINT SELECT COMMITTEE ON  
LOCAL AUTHORITIES, SERVICE COMMISSIONS  
AND STATUTORY AUTHORITIES  
(INCLUDING THE THA)

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SECOND REPORT  
ON AN  
INQUIRY INTO CERTAIN ASPECTS OF THE  
ADMINISTRATION OF THE TOBAGO HOUSE OF ASSEMBLY  
(THA)

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# **SECOND REPORT**

**OF THE**

**JOINT SELECT COMMITTEE ON LOCAL  
AUTHORITIES, SERVICE COMMISSIONS AND  
STATUTORY AUTHORITIES (INCLUDING THE  
TOBAGO HOUSE OF ASSEMBLY)**

**ON AN**

**INQUIRY INTO CERTAIN ASPECTS OF THE  
ADMINISTRATION OF THE TOBAGO HOUSE OF  
ASSEMBLY (THA)**

**Publication**

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**Date Laid in HOR:**

**Date Laid in Senate:**

## Acronyms and Abbreviations

| Abbreviation | Term   |
|--------------|--|
| THA          | Tobago House of Assembly   |
| THTA         | Tobago Hotel and Tourism Association                                   |
| TTIC         | Trinidad and Tobago Tourism Industry Certification Programme           |
| DAMME        | Division of Agriculture, Marine Affairs, Marketing and the Environment |
| DOTT         | Division of Tourism and Transport                                      |
| FDI          | Foreign Direct Investment  |
| PPP          | Public Private Partnership   |
| CEDP         | Comprehensive Economic Development Plan                                |
| FFTC -APP    | Food and Fertilizer Technology Centre - Agriculture Policy Platform    |
| TTPS         | Trinidad and Tobago Police Service                                     |
| CAL          | Caribbean Airlines Limited   |
| PATT         | Port Authority of Trinidad and Tobago                                  |

# Contents

|   |    |
|---|----|
| <b>THE COMMITTEE</b> .....  | 6  |
| Committee Mandate and Establishment .....   | 6  |
| Specific Areas of Responsibility .....  | 7  |
| Membership .....  | 8  |
| Secretariat Support.....  | 8  |
| <b>EXECUTIVE SUMMARY</b> .....  | 9  |
| <b>SUMMARY OF RECOMMENDATIONS</b> .....   | 12 |
| <b>INQUIRY BACKGROUND</b> .....   | 17 |
| The Divisions of the THA .....  | 17 |
| Effects of Tourism and Transportation on the Island .....   | 19 |
| The Agriculture Sector .....  | 20 |
| <b>CONDUCT OF INQUIRY</b> .....   | 21 |
| <b>SUMMARY OF EVIDENCE, FINDINGS AND RECOMMENDATIONS</b> .....  | 25 |
| <b>Inquiry Objective 1: The Sufficiency and Management of the THA’s National Budget Allocations</b> .....                           | 25 |
| Assessing the sufficiency of the annual budget allocation and the management of its resources .....                                 | 25 |
| THA Budgetary Allocation.....   | 25 |
| The Identification of New Revenue Streams.....  | 26 |
| Auditing of THA Accounts.....   | 26 |
| <b>Findings</b> .....   | 27 |
| <b>Recommendations</b> .....  | 28 |
| <b>Inquiry Objective #2 - The State of the Agriculture Sector in Tobago</b> .....   | 29 |
| To Determine the Level of Participation within the Agriculture Sector .....   | 29 |
| To Assess the Extent to which Productive Linkages have been established between the Agriculture and Tourism Industries .....        | 31 |
| To Determine the Hindrances to the Expansion of the Agriculture Sector and the Solutions/Strategies that are being implemented..... | 31 |
| <b>Findings</b> .....   | 32 |
| <b>Recommendations</b> .....  | 34 |
| <b>Inquiry Objective 3 - To determine the current condition of the Tourism Sector</b> .....   | 35 |
| <b>Tobago’s Tourism Market</b> .....  | 35 |

|  |    |
|--|----|
| <b>Strategies for attracting Domestic, Regional and International Visitors</b> .....                                 | 37 |
| <b>Tourist Arrivals in Tobago Relative to other Caribbean Destinations</b> .....                                     | 38 |
| <b>Cruise Ship Arrivals</b> .....  | 38 |
| <b>Rating/Classification of Tobago Hotels</b> .....  | 39 |
| <b>Issues affecting Tobago Hoteliers</b> .....   | 40 |
| <b>The Profitability of the Tobago Jazz Festival</b> .....   | 44 |
| <b>A Tobago Marina</b> .....   | 45 |
| <b>Land Ownership by Foreigners in Tobago</b> .....  | 45 |
| <b>Infrastructural Issues on Little Tobago / Bird of Paradise Island</b> .....                                       | 45 |
| <b>Expenditure on Eradicating the Sargassum Seaweed</b> .....  | 46 |
| <b>The Impact of Travel Advisories on Tourism in Tobago</b> .....  | 46 |
| <b>The Status of Initiatives / Projects aimed at Improving Tobago’s Marketability as a Tourist Destination</b> ..... | 46 |
| <b>A Comprehensive Plan for Sport Tourism</b> .....  | 48 |
| <b>Findings</b> .....  | 48 |
| <b>Recommendations</b> .....   | 51 |
| <b>Inquiry Objective 4 - The efficiency and Reliability of Transportation Services</b> .....                         | 55 |
| <b>Sea Transport</b> .....   | 55 |
| <b>Air Transport</b> .....   | 56 |
| <b>Public Transport</b> .....  | 59 |
| To Assess the Reliability of the Public Transportation System in Tobago.....   | 59 |
| <b>Findings</b> .....  | 60 |
| <b>Recommendations</b> .....   | 62 |
| <b>Appendix I</b> .....  | 65 |
| <b>Minutes</b> .....   | 65 |
| <b>Appendix II</b> .....   | 91 |
| <b>Verbatim Notes</b> .....  | 91 |

## THE COMMITTEE

### *Committee Mandate and Establishment*

Section 66A of the Constitution of Trinidad and Tobago declares, that not later than three months after the first meeting of the House of Representatives, the Parliament shall appoint Joint Select Committees to inquire into and report to both Houses in respect of Government Ministries, Municipal Corporations, Statutory Authorities, State Enterprises and Service Commissions, in relation to their administration, the manner of exercise of their powers, their methods of functioning and any criteria adopted by them in the exercise of their powers and functions.

Pursuant to the foregoing provision, motions related to this purpose were approved in the House of Representatives and Senate on November 13, 2015 and November 17, 2015, respectively, and thereby established, inter alia, the **Joint Select Committee on Local Authorities, Service Commissions and Statutory Authorities (Including the THA)**.

Standing Order 91 of the Senate and 101 of the House of Representatives outlines the general function of a Committee of this nature. They are as follows:

- a. examine Bills and review all legislation relating to the relevant Ministries, departments or bodies or as may be referred to it by the House;
- b. investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration and operations of the assigned Ministries, departments or bodies;
- c. study the programme and policy objectives of Ministries, departments or bodies and the effectiveness of the implementation;
- d. assess and monitor the performance of Ministries, Departments and Bodies and the manner of the exercise of their powers;

- e. investigate and inquire into all matters relating to the assigned Ministries, Departments and Bodies as they may deem necessary, or as may be referred to them by the House or a Minister; and
- f. make reports and recommendations to the House as often as possible, including recommendation of proposed legislation.

### *Specific Areas of Responsibility*

The Joint Select Committee on **Local Authorities, Service Commissions and Statutory Authorities (Including the THA)** is mandated to inquire into areas related to four (4) Service Commissions, fourteen (14) Municipalities, eighty-nine (89) Statutory Authorities and the Tobago House of Assembly (THA) as listed in Appendix IV and V of the Standing Orders of the House of Representatives and Senate respectively.

### **Powers of the Committee**

Standing Orders 101 of the Senate and 111 of the House of Representatives delineate the core powers of the Committee which include *inter alia*:

- a. to send for persons, papers and records;
  - b. to sit notwithstanding any adjournment of the House;
  - c. to adjourn from place to place;
  - d. to report from time to time;
  - e. to appoint specialist advisers either to supply information which is not otherwise readily available, or to elucidate matters of complexity within the Committee's order of reference;
  - f. to communicate with any other Committee on matters of common interest;
- and



- g. to meet concurrently with any other Committee for the purpose of deliberating, taking evidence or considering draft reports.

### *Membership*

The Committee comprises the following members:

- |                                  |               |
|----------------------------------|---------------|
| 1. Mr. H.R. Ian Roach            | Chairman      |
| 2. Ms. Ramona Ramdial, MP        | Vice-Chairman |
| 3. Mr. Stuart Young, MP          | Member        |
| 4. Mr. Darryl Smith, MP          | Member        |
| 5. Mr. Faris Al-Rawi, MP         | Member        |
| 6. Mrs. Jennifer Baptiste-Primus | Member        |
| 7. Mr. Nigel De Freitas          | Member        |
| 8. Mr. Daniel Solomon            | Member        |

### *Secretariat Support*

The following officers were assigned to assist the Committee:

1. Mr. Julien Ogilvie - Secretary
2. Ms. Khisha Peterkin - Assistant Secretary
3. Ms. Ashaki Alexis - Research Assistant

## **EXECUTIVE SUMMARY**

At its second meeting held on January 13, 2016 the Committee resolved to pursue an inquiry into certain aspects of the Administration of the THA. Given the wide scope of governmental functions executed by the THA, and taking into account the fact that the THA has not been subjected to frequent Parliamentary scrutiny, the Committee agreed that an examination of certain aspects of the administration of the THA should be made a priority.

The Committee's inquiry focused on:

- i. The sufficiency and management of the THA's National Budget allocations;
- ii. The state of the Agriculture Sector in Tobago;
- iii. The state of the Tourism Sector in Tobago; and
- iv. The efficiency and reliability of transportation services.

The Committee agreed that the officials from the THA were to be invited to a public hearing held in Tobago on Wednesday 27 April, 2016. At the conclusion of the first hearing, the Committee agreed that another public hearing should be conducted to seek additional information on certain issues affecting Tobago's Tourism industry and public Transportation system.

Some of the significant issues and developments concerning the administration of the THA which were highlighted during the inquiry include:

- i. The timeliness of financial releases to the THA by Central Government;
- ii. The need for the THA to identify new revenue streams;
- iii. Reports of the Auditor General on the financial statements of the THA for the period 2008-2015 are outstanding;
- iv. The perennial issues related to the air and sea transportation services between Trinidad and Tobago;

- v. Measures required to boost international tourist arrivals in Tobago;
- vi. The rating system used to assess the standard of accommodation in Tobago;
- vii. The status of renovation works on the A. N. R. Robinson International Airport in Tobago;
- viii. Issues affecting the Tobago Hoteliers;
- ix. The poor customer service offered at Hotels;
- x. The feasibility of the Tobago Jazz Festival and the economic gains derived from the festival;
- xi. Procedures associated with acquiring land for investment purposes;
- xii. Current strategies for developing and sustaining the Agriculture Industry in Tobago;
- xiii. The inadequacies of the Public Transportation System in Tobago;

The Committee identified various challenges/shortcomings which have hindered the THA's ability to realise its objectives and achieve desired outcomes. These include:

**Tourism**

- a. Inadequate funds directed at marketing destination Tobago relative to other Caribbean destinations;
- b. Weaknesses in the capacity of personnel tasked with managing Tobago's tourism development and marketing strategies;
- c. Aging infrastructure at many tourism attractions and inadequate funds to conduct the required restorations/upgrades;
- d. a lack of credible statistical data on domestic and regional tourist arrivals in Tobago;

**Agriculture**

- e. underdeveloped linkages between the tourism sector and Tobago's agriculture industry;
- f. there is a need for greater youth involvement in the agriculture sector;

- g. there is a need for the DAMME to effectively market agriculture as a viable incoming earning/business option;

**Transportation services**

- h. the challenges encountered by CAL in meeting the demand for air transportation services during peak periods;
- i. the acute shortage of PTSC busses to service communities as a number of buses are dysfunctional.

In this regard, the Committee has proposed commensurate recommendations in response to many of the foregoing issues/challenges. These recommendations (along with findings) are outlined in Section 3 of this report. The Committee expects that the Tobago House of Assembly and other related stakeholders will give due consideration to this report with a view to improving the administration of the Tobago House of Assembly.

## SUMMARY OF RECOMMENDATIONS

The Committee has proffered the following recommendations:

1. The Committee recommends that the THA consult with the Central Government, in particular the Ministry of Finance on the impact the current financial conditions has had on the ability of the Assembly to meet its obligations and pursue its development agenda. These discussions should take into account the prevailing economic circumstances and the impact on Central Government to satisfy the provisions of Section 47 of the THA Act which states that *“monies appropriated by Parliament for the service of the financial year of the Assembly shall be credited to the Fund in quarterly releases in advance en bloc.*
2. We believe that the THA has an obligation to develop a Revenue Generation Plan in the short-term in order to adopt a more proactive approach to meeting some of its financial needs.
3. We recommend that the THA engage the Central Government on the options available to the Assembly to benefit from funding outside the remit of the treasury. Consideration should be given to permitting the THA to issue bonds as a means of raising funds and to engage in Public-Private Partnerships (PPP).
4. The THA must collaborate with the Government to encourage foreign direct investment in the island of Tobago. This would involve the identification and marketing of investment opportunities in Tobago.
5. The THA must be guided by the observations made by the Auditor General in relation to the standard and adequacy of records made available for auditing with a view to avoiding undue delays in the audit process. The THA should ensure that all relevant financial records/ statements are submitted to the Auditor General in

a timely manner and that these financial records meet international accounting standards.

6. The THA must meet with the relevant stakeholders to develop appropriate strategies to promote the consumption of local produce by hotels.
7. Initiatives should be more geared towards the practical involvement of youth from their early childhood years. In doing so, the Committee recommends that the THA make full use of the Grow Box Programme in Primary and Secondary Schools in Tobago.
8. The THA should build on its branding initiatives by locating markets, including domestic, regional, local (Trinidad) and export markets to absorb processed agricultural produce. One example of rebranding may be the *Durga Farm* in Jamaica which facilitates business and offers a unique style of agriculture through organic farming, appropriate technology and natural building.
9. The THA should facilitate the production of “niche crops” the demand for which is reliable and or contractually guaranteed. Increased production of crops such as coconut, mango, pawpaw and hot peppers may be worthwhile for farmers in Tobago.
10. Based on consultations with relevant stakeholders, the Division of Tourism should produce standards for accommodation facilities in Tobago. This should be complimented by a compulsory registration process to certify all accommodation used for tourism hospitality purposes. Such certification must be mandatory, not optional.
11. The Committee recommends that the THA consider introducing a Tourism Site Preservation Programme that is supported by volunteers from the community.

This approach would encourage Tobagonians to be more involved in preserving heritage sites and would also encourage greater community involvement.

12. The THA along with the Central Government must continue to make strategic decisions in the interest of Tobago's tourism sector as it is an important platform to create sustainable jobs and increase the contribution of tourism to GDP. This can only be achieved by expanding the tourism product available in Tobago and developing creative strategies for distinguishing the island of Tobago from other Caribbean destinations.
13. In order to encourage more FDI in the tourism sector, we recommend that the THA undertake a review of processes and procedures that investors are required to engage in with a view to eliminating all unnecessary delays and barriers to investments.
14. The Committee recommends that in addition to the Tourism Police Unit, the THA collaborate with the TTPS and the Ministry of National Security with a view to:
  - i. deploying additional mobile Police posts at appropriate locations. Along with this, the THA should encourage the TTPS to engage in various tactical measures to ensure high police visibility;
  - ii. installing CCTV cameras in areas frequented by tourist as a means of enhancing police surveillance.
15. The Division of Tourism must also consider having free Customer Service training for all persons involved in the Tourism Sector and particularly for small and medium size accommodation facilities who may be unable to afford private training for their employees. Customer Service Training should be a compulsory condition for any hotel or guesthouse to receive state-sponsored incentives.

16. The THA must collaborate with stakeholders to allow for an agreed programme to brand, market and grow the island's tourism industry to attract investment, airlift and arrivals.
17. Given the current financial constraints confronting the THA, there is a need to prioritise which airlines received financial incentives to fly to Tobago. We recommend that the resuscitation of the Airlift Committee or some other suitable forum whereby the THA can benefit from the input of hoteliers and other stakeholders.
18. The Committee recommends that the THA through its Division of Tourism and Transportation adopt the most cost effective and efficient approach to marketing Tobago to selected originating destinations.
19. The Committee acknowledges the importance of regulating the allocation of land to foreign investors in Tobago. However, as a result of the delays in the issuing of licences, the Committee recommends that the THA consult with the Ministries of Finance and Trade and Industry with a view to exploring the feasibility of introducing a Blanket Developer's licence which would allow for the ease of property sale in the future since the licence would be attached to the property.
20. The Committee recommends that for the fiscal year 2016/2017, the THA must revise the "business model" for the Jazz Festival to alleviate the significant shortfall in revenue compared to expenditure.
21. With respect to the shortage of labour to supply the hotel/tourism sector in Tobago, we recommend that the THA collaborate with Central Government, in particular the Ministry of Foreign Affairs with a view to facilitating a greater movement of hospitality works from other Caribbean islands to Tobago.



22. We recommend that the THA collaborate with CAL and the airlines' line Ministry with a view to developing a feasible strategy for increasing the number of seats available to passengers during peak periods.
23. To supplement recommendation (24), it is proposed that in instances where all ATR aircraft flights are booked/sold out, consideration can also be given to offering advance passengers bookings on larger aircraft should they be willing to pay an increased ticket price (E.g. \$500 return).
24. Given the prevailing economic circumstances, the committee recommends that the THA consider acquiring additional buses on an incremental basis rather than the large scale / single purchase.
25. Given that the construction of a new Airport in Tobago appears not to be plausible in the short-term, the THA should hold discussions with representatives of all airlines that fly to Tobago in order to develop a check list of issues at the ANR Robinson Airport that needs to be addressed.
26. The Committee also recommends that the THA collaborate with the Port Authority of Trinidad and Tobago (PATT) and the Central Government for the purpose of undertaking further upgrades to berthing/docking facilities at the Port of Scarborough. This should be viewed as a priority project since visits to Tobago by international cruise lines is a potential source of foreign exchange.

## INQUIRY BACKGROUND

2.1 The Tobago House of Assembly (THA) is a statutory body created under the Tobago House of Assembly Act 1996, (Act No. 40 of 1996). The THA comprises of two main arms, the **Legislative Arm** and the **Executive Arm**, and 10 divisions, nine with particular remits plus the Office of the Chief Secretary, which oversees the others. The Legislative arm (Assembly Legislature) is where all members of the Assembly meet in plenary and/or in select committees to make policy decisions for the operations of the Assembly. The Executive arm of the Assembly is headed by the Chief Secretary in his capacity as leader of the Executive Council. The Council has individual and collective responsibility for carrying out the tasks of the Assembly through its Divisions. Each Division is led by a Secretary, with an Administrator serving as the Accounting Officer responsible for producing the desired results of the Division.<sup>1</sup>

### *The Divisions of the THA*

2.2 The responsibilities of the THA are administered through the following Divisions:

- Office of the Chief Secretary
- Agriculture, Marine Affairs, Marketing & the Environment
- Community Development & Culture
- Education, Youth Affairs & Sport
- Finance & Enterprise Development
- Health & Social Services
- Infrastructure & Public Utilities
- Planning & Development
- Settlements & Labour
- Tourism & Transportation

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<sup>1</sup> Accessed on May 11, 2016, <http://www.tha.gov.tt/about-the-assembly/>

2.3 The THA received \$10.52 Billion from central government during the past five years. In fiscal 2016, the budgetary allocation directed to the Tobago House of Assembly was \$2.772 billion, of which \$2.345 billion was designated for recurrent expenditure. \$404 million for capital expenditure and \$23 million for the Unemployment Relief Programme. This \$2.772 billion allocation is equivalent to 4.4 percent of the National Budget which is above the minimum legal level of 4.03% established by the Dispute Resolution Commission.

2.4 The estimated and actual expenditure of the Tobago House of Assembly for the period 2012 – 2016<sup>2</sup> is outlined in Table 1.

**Table 1**

| 2012 (Actual)  | 2013 (Actual)   | 2014 (Actual)  | 2015 (Actual)  | 2016 (Estimate)  |
|----------------|-----------------|----------------|----------------|------------------|
| \$1.65 Billion | \$ 1.98 Billion | \$2.01 Billion | \$2.11 Billion | \$ 2.772 Billion |

2.5 During his budget statement for fiscal 2015/2016, the Minister of Finance indicated that part of the Government’s diversification plans involved initiatives to develop the tourism industry in Tobago. He also stated that:

*“The tourism sector becomes an important driver in the engine of growth in the national economy. Strong and effective public private sector partnerships will be encouraged to deliver infrastructure and infrastructure services, with a view in particular of expanding the stock of hotel rooms in Tobago; with tourism and transportation being closely linked, the A.N.R. Robinson International Airport will be modernised with the construction of a new terminal. The air and sea transport system will be upgraded and rationalised to facilitate greater alignment between demand and supply and to ensure that congestion, delays and inadequate space and capacity at our air and sea ports that serve Tobago are things of the past; and land titles in Tobago are regularized.”*

<sup>2</sup> Public Sector Investment Programme 2016 (PSIP)

### *Effects of Tourism and Transportation on the Island*

2.6 The tourism industry accounts for almost 50 per cent of Tobago's GDP and employs around 60 per cent of the workforce on the island.<sup>3</sup> The enhancement of the tourism product through the development of sites and attractions as well as building the capacity of the human resources to ensure quality service and enhance the experience of visitors are the key components of the tourism strategy.<sup>4</sup> At present, domestic tourism appears to be the mainstay of the Tobago's tourism industry<sup>5</sup>. In recent years there has been a significant drop in international arrivals.<sup>6</sup> The international financial crisis has been identified as a major reason for the tourism sector, particularly in Tobago entering into a period of financial difficulty<sup>7</sup>.

2.7 In 2011, then Senator Dr. Victor Wheeler stated that:

*"There has been a dramatic 60 per cent drop in international tourist arrivals to Tobago over the past five years. He said that in 2009 there were over 70,000 visitors, while in 2010 the numbers dropped to 61,000.*

*Tourist arrivals to Tobago have been declining since 2005, when there was a total of 84,467 arrivals.*

*The domestic arrivals seem to have made up somewhat for the shortfall by the declining international visitors, but the actual amount is difficult to quantify. In addition most of the domestic arrivals are local tourists and it is estimated that a small percentage of them may be international tourists who come to Trinidad first and then Tobago."*

2.8 The Secretary of Tourism and Transportation, Ms. Tracy Davidson-Celestine has indicated that international tourist arrivals to Tobago was expected to increase in 2015.

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<sup>3</sup> <http://www.trinidadexpress.com/business-magazine/Tobago-tourism-in-a-state-266350401.html>

<sup>4</sup> <http://finance.gov.tt/wp-content/uploads/2014/09/Tobago-2015-PSIP-Revised-09092014.pdf>

<sup>5</sup> <http://chamber.org.tt/articles/tobagos-tourism/>

<sup>6</sup> <http://www.trinidadexpress.com/business-magazine/Tobago-tourism-in-a-state-266350401.html>

<sup>7</sup> Budget Statement 2015

She announced a 100% growth in arrivals to Tobago for the winter period (December 2014 – April 2015).<sup>8</sup>

2.9 According to information submitted by the THA, the number of international arrivals Tobago received on an annual basis during the period 2010 – 2015 is as follows:

**Table 2 – The Year and the total number of International Arrivals**

| <b>Year</b>  | <b>TOTAL</b>   |
|--------------|----------------|
| 2010         | 98,460         |
| 2011         | 78,687         |
| 2012         | 67,065         |
| 2013         | 57,267         |
| 2014         | 68,556         |
| 2015         | 97,540         |
| <b>TOTAL</b> | <b>467,575</b> |

2.10 For the period October, 2013 – March, 2014, the THA paid six airlines (including BA, Monarch and Condor) approximately \$22 million TTD. <sup>9</sup> In January 2015, the air service of GOL Airlines from Brazil to Tobago was commenced.<sup>10</sup> Virgin Atlantic also resumed its service to the island in April 2015.

### *The Agriculture Sector*

2.11 Agriculture and food security remain strategic priorities of the THA. The THA's Comprehensive Economic Development Plan (CEDP), under *Strategic Priority Area 3-*

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<sup>8</sup> Growth in Arrivals for the Winter Period. Retrieved from: <http://www.tha.gov.tt/news/growth-in-arrivals-for-winter-period/>

<sup>9</sup> <http://www.trinidadexpress.com/business-magazine/Tobago-tourism-in-a-state-266350401.html>

<sup>10</sup> PSIP Tobago, 2016

*Business Development and Entrepreneurship* states the following as its vision for Agriculture, Fisheries and Food:

2.12 "A revived agriculture, fisheries and food industry that contributes to Tobago's food security, providing a significant share of domestic requirements and strongly linked to the hotel industry, through the fresh supplies that it contributes, and together with niche agriculture aimed particularly at the domestic market, creates opportunities for production of safe and healthy foods, for attractive income for an emerging class of scientifically and technologically adaptable young farmers."

2.13 In 2014, \$29.9 million was expended by the THA to undertake projects and programmes in the agriculture sector.<sup>11</sup> There was approximately 100 acres under cultivation, which when harvested, was expected to impact food security in Tobago.<sup>12</sup> In 2015, the THA invested \$21.7 million to continue its projects and programmes aimed at increasing the quality and reliability of locally produced food.

## CONDUCT OF INQUIRY

2.14 The Committee held two public hearings on:

- (i) April 27, 2016 in Tobago; and
- (ii) June 03, 2016 at the Office of the Parliament.

2.15 Further to the issuance of invitations for written submissions, the following stakeholders responded:

- 1) Caribbean Airlines Limited (CAL);
- 2) the Agricultural Development Bank (ADB);
- 3) the Port Authority of Trinidad and Tobago;

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<sup>11</sup> PSIP Tobago, 2015 p. 9.

<sup>12</sup> PSIP Tobago, 2015 p.9.

- 4) the Tobago Hotel and Tourism Association (THTA); and
- 5) the Tobago Chamber of Commerce
- 6) Ms. Christlyn Moore – Tobago Forwards

2.16 During the first public hearing held on Wednesday April 27, 2016, oral evidence was received from officials of:

- 1) The Division of Financial and Enterprise Development;
- 2) The Division of Infrastructure & Public Utilities;
- 3) The Division of Agriculture, Marine Affairs, Marketing and the Environment;
- 4) The Division of tourism and transportation; and
- 5) The Public Transportation Service Commission (PTSC).

2.17 Subsequent to the public hearing of April 27, 2016, additional information was requested in writing from the THA to lend clarification to a number of queries raised during the public hearing.

2.18 A second hearing was convened on June 03, 2016 to receive additional oral evidence. During the second public hearing oral evidence was received from Officials of the:

- 1) Division of Tourism and Transportation;
- 2) Division of Community Development & Culture;
- 3) Division of Infrastructure and Public Utilities;
- 4) Public Transportation Service Commission (PTSC)
- 5) Tobago Hotel and Tourism Association (THTA).

2.19 The witnesses who appeared before the committee were:

| NAME OF OFFICIAL | PORTFOLIO           |
|------------------|---------------------|
| Mr. Raye Sandy   | Chief Administrator |

**THE DIVISION OF FINANCE AND ENTERPRISE DEVELOPMENT**

| NAME OF OFFICIAL           | PORTFOLIO                |
|----------------------------|--------------------------|
| Ms. Jacqueline Job         | Administrator            |
| Ms. Esther Pilgrim- Soanes | Director of Finance      |
| Ms. Shelly Trim            | Budget Analyst IV        |
| Mrs. Petal-Ann Roberts     | Senior Financial Analyst |

**THE DIVISION OF TOURISM AND TRANSPORTATION**

| NAME OF OFFICIAL           | PORTFOLIO                  |
|----------------------------|----------------------------|
| Ms. Cheryl-Ann Solomon     | Administrator              |
| Ms. Frederica Brooks-Adams | Director of Tourism        |
| Mr. Samuel Henry           | Transportation Coordinator |
| Ms. Gwen Toppin            | Management Accountant      |
| Ms. Deokie Ramnarine       | Senior Research Officer    |

**THE DIVISION OF INFRASTRUCTURE & PUBLIC UTILITIES**

| NAME OF OFFICIAL          | PORTFOLIO          |
|---------------------------|--------------------|
| Mrs. Wendy Guy- Hernandez | Administrator      |
| Ms. Sherrilyn Paul        | Project Officer II |

**THE DIVISION OF AGRICULTURE, MARINE AFFAIRS, MARKETING AND THE ENVIRONMENT**

| NAME OF OFFICIAL   | PORTFOLIO         |
|--------------------|-------------------|
| Ms. Nevlin Renwick | Administrator     |
| Ms. Ruby Warner    | Technical Officer |



|                       |                            |
|-----------------------|----------------------------|
| Mr. Carl Murray       | Agricultural Officer II    |
| Mr. Abdullah Chadband | Specialist Engineer        |
| Ms. Karen Shaw        | Agro Investment Specialist |

**THE PUBLIC TRANSPORTATION SERVICE CORPORATION (PTSC)**

| NAME OF OFFICIAL      | PORTFOLIO                                   |
|-----------------------|---|
| Mr. Henry Cook        | Assistant Deputy General Manager-Operations |
| Mrs. Patricia Clarke  | Assistant Operations Manager                |
| Mr. Barry -Lee Graham | Supervisor - Mechanical Engineering         |

**DIVISION OF COMMUNITY DEVELOPMENT & CULTURE**

| NAME OF OFFICIAL      | PORTFOLIO                    |
|-----------------------|------------------------------|
| Mr. Wendell Berkeley  | Chairman, Heritage Committee |
| Ms. Glenda Rose Layne | Coordinator, Culture         |

**TOBAGO HOTEL AND TOURISM ASSOCIATION**

| NAME OF OFFICIAL        | PORTFOLIO              |
|-------------------------|------------------------|
| Mr. Chris James         | President              |
| Mr. Carlos Dillon       | Honorary Director      |
| Mrs. C. Birchwood-James | Vice-President         |
| Ms. Kaye Trotman        | Associate Member       |
| Mrs. Shirley Cooke      | Secretary to the Board |

# SUMMARY OF EVIDENCE, FINDINGS AND RECOMMENDATIONS

## Inquiry Objective 1: The Sufficiency and Management of the THA's National Budget Allocations

Assessing the sufficiency of the annual budget allocation and the management of its resources

### *THA Budgetary Allocation*

3.1.1 The THA informed the Committee that a request was made for \$486,457,600 from Central Government for the third quarter of fiscal 2016, but only received an allocation of \$162,152,533.33. Central Government appeared to be now releasing funds to the THA on a monthly basis which is contrary to Section 47 of the THA Act which states, "*Monies appropriated by Parliament for the service of the financial year of the Assembly shall be credited to the Fund in quarterly releases in advance en bloc.*" As a result, payment to suppliers and other commitments are affected along with planning which is usually done on a quarterly basis.

3.1.2 The Committee was advised that there were increases in the national budgetary allocation to the THA from the year 2012 to present. Based on the ruling of the Dispute Resolution Commission, the THA is entitled to 4.03 to 6.9 % of the national budget. The THA usually receives an allocation that is within the lower range for both Recurrent Expenditure and Development Programmes. The THA submitted that allocation received from Central Government are inadequate to facilitate the type of development that Tobago requires.

3.1.3 The allocation received from central government for fiscal 2015/2016 is disaggregated as follows:

- **\$2.34 billion (Recurrent Expenditure)**

The allocation of personnel expenditure for the year 2016 was \$1,011,949,000 which is a decrease of approximately 0.44% from the last fiscal year 2015.

- **\$404 million (Development Programmes)**

In the financial year 2015, the THA was allocated 70% of its request for Recurrent Expenditure and 15% of its request for Development Expenditure.

### *The Identification of New Revenue Streams*

3.1.4 The Committee was informed that the THA has not identified any new revenue sources within recent years and is in the process of determining other sources of revenue which include the Studley Park Quarry and Sport Tourism. The THA submitted that the Studley Park Quarry in particular has the potential to be a foreign exchange earner. However, the construction of an industrial port at the site to enable barges to transport material to and from Tobago is proving to be a challenge. Agricultural production also has the potential to become a major source of revenue through exportation which will then reduce the outflow of foreign exchange.

### *Auditing of THA Accounts*

3.1.5 During the first hearing, the Chief Administrator was asked to account for the absence of reports of the Auditor General on accounts of the THA since 2007. The Chief Administrator suggested that this matter should be raised with the Auditor General who is responsible for producing these reports. He advised that the THA had submitted its financial statements up to the year 2013 to the Auditor General.

3.1.6 The Committee enquired whether the THA was pleased with the Report of the Auditor General on its accounts. The Chief Administrator indicated that they were not pleased because the Auditor General indicated that he was unable to form an opinion because a number of documents were not presented for audit scrutiny at the time it was requested. Recommendations for improving the standard of financial statements accompanying the accounts were submitted by the Auditor General but the THA was

only notified of the errors related to the audit of the 2007 accounts in 2012. As a consequence, the THA anticipated that the Auditor General's Reports on the THA for 2008 to 2012 would also contain adverse comments regarding the availability of records.

3.1.7 Notwithstanding the above, the committee became aware of some contradictions in the statement given by the Chief Administrator on this matter. Pressed for clarification at the second hearing, Mr. Sandy clarified that the financial statements submitted for the years 2013 and 2014 were photocopied documents, but original documentation was required for an audit. In light of this, Ms. Sandy presented an altered position on the matter and stated that:

- the 2012 and 2014 financial statements are awaiting the signature of the Chief Administrator before they can be submitted to the AG;
- there was an error in the 2013 statements, and as a result it was returned to the THA and was subsequently re-submitted to the AG's Department on November 14, 2014; and
- the 2015 statements will be submitted within two weeks.

## **Findings**

3.1.8 The evidence received suggests that the financial position of the THA has been adversely affected by the change in the manner in which funds are released by Central Government. This switch has had a negative impact on the timely delivery of goods and services and commitments and payments to suppliers. The Committee took note of the fact that the THA has to make further adjustments to their spending patterns due to the insufficiency of funds. However, the Committee is cognizant that such financial allocation adjustments are symptomatic of prevailing economic circumstances.

3.1.9 Evidence received also suggests that the implementation of objectives of Tobago's Comprehensive Economic Development Plan (CEDP) has been delayed due to a lack of

financial resources. The THA must now work assiduously to find innovative strategies for treating with the shortfall in funding.

## Recommendations

- A. **The Committee recommends that the THA consult with the Central Government, in particular the Ministry of Finance on the impact the current financial conditions has had on the ability of the Assembly to meet its obligations and pursue its development agenda. In this regard, these discussions should take into account; how prevailing economic circumstances have impacted Central Government's ability to satisfy the provisions of Section 47 of the THA Act which states that *"monies appropriated by Parliament for the service of the financial year of the Assembly shall be credited to the Fund in quarterly releases in advance en bloc.***
- B. **We believe that the THA has an obligation to develop a Revenue Generation Plan in the short-term in order to adopt a more proactive approach to meeting some of its financial needs. Perhaps this is an appropriate period to develop the required framework to allow the THA to borrow money as a means of pursuing key strategic projects particularly those that are revenue generating.**
- C. **We recommend that the THA engage the Central Government on the options available to the Assembly to benefit from funding outside the remit of the treasury. Consideration should be given to permitting the THA to issue bonds as a means of raising funds. In addition, Public-Private Partnerships (PPP) can provide the Assembly with a stream of financial resources necessary to fund high priority projects. The PPP option can be used in the case of physical infrastructure projects. Projects that have the potential to provide significant and sustainable streams of revenue may be supported by the bond-financing option.**
- D. **The THA must collaborate with the Government to encourage foreign direct investment in the island of Tobago. This would involve the identification and**

**marketing of investment opportunities in Tobago. An appropriate tax incentive programme for potential investors is also an important prerequisite for successfully achieving this objective.**

- E. The THA must be guided by the observations made by the Auditor General in relation to the standard and adequacy of records made available for auditing with a view to avoiding undue delays in the audit process. The THA should ensure that all relevant financial records/ statements are submitted to the Auditor General in a timely manner and that these financial records meet international accounting standards.**

## **Inquiry Objective #2 - The State of the Agriculture Sector in Tobago**

### *To Determine the Level of Participation within the Agriculture Sector*

3.2.1. The THA has pursued a renewed focus in the agricultural sector with an aim to add to the national revenue stream. Tobago's agricultural output however, is primarily geared towards local consumption than exportation. Output is generally directed to Tobago market is food security and supplying produce to hotels on the island. Over the past five years, Tobago has supplied livestock to Trinidad including over 5, 000 sheep and other hooved animals. The main crops that harvested are vegetables and staples.

3.2.2. Expenditure on the Agricultural Sector in Tobago (for the past 10 years) is detailed in the Table below. The total annual expenditure quoted below was calculated based on the annual recurrent and development expenditure of the Division of Agriculture, Marine Affairs, Marketing and the Environment (DAMME) during the period 2008 to 2015.

**Table 3**

| <b>FISCAL YEAR</b> | <b>EXPENDITURE PER FISCAL YEAR</b> |
|--------------------|------------------------------------|
| September 2008     | \$ 121,702,098.00                  |
| September 2009     | \$ 135,657,324.00                  |
| September 2010     | \$ 115,489,454.00                  |
| September 2011     | \$ 128,186,981.00                  |
| September 2012     | \$ 162,352,477.00                  |
| September 2013     | \$ 216,498,152.00                  |
| September 2014     | \$ 203,568,239.00                  |
| September 2015     | \$ 277,681,651.00                  |
| <b>TOTAL</b>       | <b>\$ 135,657,324.00</b>           |

3.2.3. The Division has used several initiatives to expand the sector and increase production:

- a. Utilisation of the old unoccupied estates to produce crops with export potential which can be shipped to international markets, e.g. paw-paw and hot peppers;
- b. Rehabilitation and conservation of old cocoa estates;
- c. Development of an agro-park using the Jamaican model, this would attract private/public partnerships, as it would encourage businessmen to be involved thereby creating avenues for trade and growth in the sector;
- d. Creating synergies with various small farmers to enhance their farming techniques with the use of technology and equipment;
- e. Collaboration with the Tourism Sector to promote and market the Tobago brand through the "Eco-Foods Label"
- f. The opening of the Packaging Facility on April 26, 2016 to assist farmers and agro-processors to effectively improve their products and phytosanitary standards.

*To Assess the Extent to which Productive Linkages have been established between the Agriculture and Tourism Industries*

3.2.4. The menus offered by the hotels in Tobago do not require much local produce, so there is little demand on the local farmers. Nonetheless, through the introduction of the “Eco-Foods Label”, the Division anticipates that hotels would begin to use this brand which would eventually propel the growth of the agriculture industry. Another initiative by the Division was the establishment of the Tobago Agricultural Cooperative which is a part of the Tobago Agricultural Society. This venture has provided an umbrella body through which the hotels on the island interested in sourcing produce, can contact one entity, rather than having to contact a number of different farmers.

*To Determine the Hindrances to the Expansion of the Agriculture Sector and the Solutions/Strategies that are being implemented*

3.2.5. As indicated above, there is a low demand for local agricultural produce from Tobago’s largest industry. This would adversely affect the motivation of farmers to pursue further expansion and investment in agriculture as supply responds to demand. The Committee took note of the programmes geared towards youth involvement in agriculture with the most significant being the *Youth Apprenticeship Programme in Agriculture* (YAPA) which has completed ten cycles to date. However, the Committee was advised that such programmes have to compete with other social programmes that offer a larger stipend and the young people gravitate towards those programmes. Through the Ministry of Agriculture, Land and Fisheries, the National Incentives Programme has provided new initiatives to encourage more young people to get involved in agriculture mainly through the provision of start-up capital. It was suggested that other modern initiatives be used to generate a greater level of interest among the youth such as:

- i. Incentives to pursue agri-business, inclusive of:
  - access to land as in the case of cocoa framers;
  - provision of financial grants to farmers;
  - the waiving of certain loan requirements for farmers by the ADB;



- Competitions such as the “Home Garden Competition”;
- ii. the incorporation of new technology in agriculture that reduces labour intensity; and
- iii. the use of ICT.

3.2.6. Other challenges confronting the Division are:

- i. the lack of human resources - there are a number of vacant specialist positions that the Public Service Commission has not filled for over 10 years; and
- ii. Inadequate financing for projects.

## **Findings**

3.2.7. The Agricultural Sector has been identified as a key platform for economic diversification and can therefore be considered a viable option for generating jobs and boosting entrepreneurship in Tobago. However, in order to effectively harness the potential of the agriculture industry, the THA must have clear policy directives to guide the allocation of resources towards this sector.

3.2.8. The evidence submitted suggested that currently there is an inadequate demand for local produce by hotels in Tobago. Although the information submitted did not indicate whether this disinterest also affect produce from Trinidad, this is still a major cause for concern. However, the Committee believes that with meaningful discussions with the hospitality industry in Tobago this situation can be improved.

3.2.9. The Committee was pleased to learn of the THA’s efforts to rebrand and add value to agricultural produce. However, we noted that the value adding process is mainly concerned with converting fruits into preservatives and confectionary. Although a traditional cottage industry in Tobago, the THA must be cognizant of changing perspectives in health care that recommend less sugar consumption. The impact this may have on the viability of this form of value-adding activity should be examined. Perhaps

greater effort should be made to expose tourists to local produce in a more natural form. This approach would more effectively compliment eco and agro-tourism.

3.2.10. The Committee also noted the Division's efforts to engage in discussions with the Division of Tourism and Transportation (DOTT) to identify the type of agro-product to be developed in order to attract tourists. The Committee commends the THA for commencing its latest project known as the "Eco-Foods Label" which seeks to effectively market local agriculture. The Committee was advised by the Chief Administrator that the Eco-foods Label concept is a strategy outlined in both CEDP 2.0 and the Strategic Plan (2014-2018) of the Division as an Agricultural Development Goal: Goal 2- A dynamic Tobago Eco-Food Industry that creates branded products (fresh and value-added), attracts investments and generates lucrative business opportunities. However, the Committee will be observing how this venture assists the THA locally, regionally and internationally and will be awaiting more initiatives directed towards Agro-tourism.

3.2.11. The Committee has also observed the THA's efforts to increase the level of involvement in the agriculture sector among young people through training and development programmes and the integration of modern approaches in agriculture. However, an analysis of the evidence received suggests a decline in youth involvement in agriculture over the years and several reasons for this occurrence. Modern incentives must be used to encourage youth involvement within the industry and to provide a potential workforce in order to secure the growth of agriculture in Tobago.

3.2.12. ICT is a key driver and facilitator in connecting the actors along agricultural value chains. It is also important in disseminating critical information to large populations on the need to sustainably secure Tobago's food and nutrition requirements. Therefore the use of ICT to develop and market the sector in Tobago should be treated with priority.

## Recommendations

- A. The THA must meet with the relevant stakeholders to develop appropriate strategies to promote the consumption of local produce by hotels. These strategies may include:
- i. the granting of state supported discounts to hotels for purchasing local produce in bulk;
  - ii. encouraging hotels to revise their menus to expand the amount of local produce that are incorporated into meals;
  - iii. establishing production targets to be met by local farmers.
- B. Initiatives should be more geared towards the practical involvement of youth from their early childhood years. In doing so, the Committee recommends that the THA make full use of the Grow Box Programme in Primary and Secondary Schools in Tobago. In this regard the THA in conjunction with the Government should also develop a Policy similar to the Food and Fertilizer Technology Centre-Agricultural Policy Platform (FFTC-AP) in the Asian and Pacific region to determine the factors influencing youth engaged in Agriculture.<sup>13</sup> This would highlight the main hindrances and provide a better understanding of the ways in which youths can become more appreciative at agriculture.
- C. The THA should build on its branding initiatives by locating markets, including domestic, regional, local (Trinidad) and export markets to absorb processed agricultural produce. One example of rebranding may be the *Durga Farm* in Jamaica which facilitates business and offers a unique style of agriculture through organic farming, appropriate technology and natural building. The farm is very educational as it offers regular workshops on natural building, organic farming, agro forestry, cooking and cottage industries.<sup>14</sup>

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<sup>13</sup> [http://ap.ffc.agnet.org/ap\\_db.php?id=323](http://ap.ffc.agnet.org/ap_db.php?id=323)

<sup>14</sup> <http://www.durgasden.com/>

**D. The THA should facilitate the production of “niche crops” the demand for which is reliable and or contractually guaranteed. Increased production of crops such as coconut, mango, pawpaw and hot peppers may be worthwhile for farmers in Tobago. To make tangible advancements with respect to this and other recommendations, the THA must provide farmers willing to engage in intense farming with access to arable land.**

## **Inquiry Objective 3 - To determine the current condition of the Tourism Sector**

### **Tobago’s Tourism Market**

3.3.1. In 2004 the Division of Tourism and Transportation took a policy decision to utilize special events as a marketing tool for destination Tobago. As a result, Tobago is now marketed as a festival tourism product which offers a different product option unlike the other Caribbean islands that offer sand, sun and sea. Festivals such as Blue Food and Heritage Festivals attract the largest number of visitors to Tobago. Tobago’s tourism industry has developed mainly as a result of its food and cultural heritage promotions. Other festivals that attract visitors to the island are the Jazz Festival and Dragon Boat Racing. The Committee was informed that based on the vision of the Division for Tobago’s tourism industry, the type of market that is being targeted is the luxury market. The DOTT believes that the island will be able to penetrate the luxury market because of the different tourism products offered by Tobago.

3.3.2. The Committee sought to acquire a breakdown on the amount of money that was spent on hosting these festivals over the past ten (10) years and also revenue earned. In response, the Committee was advised as follows:

#### **A. *Blue Food Festival***

The Blue Food Festival which commemorated its 18<sup>th</sup> year in 2016 has grown

over time. This is evident from the increased number of patrons and cooks who patronize and participate in the activities. The festival has also been recognized by US television networks (CNN and USA Today) as one of the best food festivals in the Caribbean and in the world. The primary objective of this festival is not revenue generation as the opportunities for the state are limited to rental of concessions spaces or admission fees.

By hosting the festival the THA facilitates revenue generation opportunities for the tourism business unit - accommodation, car rentals, tour guides, taxis etc., local micro entrepreneurs (cooks & craft vendors) and the growing event suppliers industry including tents, sound systems, generators etc. It was submitted that all suppliers with the exception of a few headline entertainers and media houses are from Tobago. This resulted in 95% of the Blue Food Festival budget being spent on the island.

### ***B. Tobago Heritage Festival***

**Table 4** - Details of income/earnings derived from the hosting of the Tobago Heritage Festival for the years 2006-2016<sup>15</sup>

**Table 4**

| <b>YEARS</b> | <b>SALE OF STORES</b> | <b>GATE RECEIPTS</b> | <b>VENDING FEE</b> | <b>BAR SALES</b> | <b>DONATIONS</b> |
|--------------|-----------------------|----------------------|--------------------|------------------|------------------|
| 2006/2007    | \$9,847.00            | \$192,020.00         | -                  | -                | \$452,000.00     |
| 2007/2008    | \$13,048.00           | \$238,538.00         | -                  | -                | \$587,500.00     |
| 2008/2009    | -                     | -                    | -                  | -                |                  |
| 2009/2010    | \$10,732.00           | \$150,861.00         | \$4,300.00         |                  | \$584,765.00     |
| 2010/2011    | \$4,256.00            | \$182,685.00         | \$5,800.00         | \$19,931.64      | \$692,000.00     |
| 2011/2012    | \$4,630.00            | \$203,950.00         | \$7,900.00         | \$8,314.44       | \$605,400.00     |
| 2012/2013    | \$6,655.00            | \$196,425.00         | \$13,000.00        | \$5,948.18       | \$655,400.00     |
| 2013/2014    | \$2,415.00            | \$153,420.00         | \$13,700.00        | -                | \$525,000.00     |
| 2014/2015    | \$700.00              | \$118,090.00         | \$3,500.00         | -                | \$606,000.00     |
| 2015/2016    | -                     | \$65,900.00          | \$3,900.00         | -                | \$780,000.00     |

<sup>15</sup> Submission of the THA dated October 27 2016

### ***C. The Tobago Dragon Boat Festival***

The Tobago Dragon Boat Festival was first hosted in 2012 as a joint initiative between the Division of Tourism and Transportation and the Trinidad & Tobago Dragon Boat Federation based on a concept initiated by the management of the Pigeon Point, Heritage Park. By its second year, the Tobago Dragon Boat Festival became the largest Dragon Boat event in the country attracting an average of 25 teams broken into approximately 60 squads and over 500 paddlers. Each of the visiting 20 to 22 teams each had an average traveling fan base of 20 persons, taking the total number of sport tourists both active and passive to 750 persons. These visitors spend an average of 3 nights on island for an average of 375 bed nights. A total direct revenue over the four year period of its existence.

The Chief Administrator reported that all of the goods and services required for this festival with the exception of trophies/medals and media houses were sourced from Tobago. The THA further advised that 95% of the Tobago Dragon Boat Festival budget is spent on the island.

## **Strategies for attracting Domestic, Regional and International Visitors**

### **The Marketing Initiatives of the DOTT**

3.3.3. The Committee sought information from the DOTT concerning the marketing strategies it has pursued. The Committee was informed that the following strategies were being implemented:

- a. Dedicated advertising programmes that highlighted a highly differentiated product and the uniqueness of the destination;
- b. The use of social media online and offline trade activities;
- c. Store operator and travel agency training;
- d. Leveraging the popularity of world renowned opinion leaders from Tobago as tourist ambassadors; and
- e. The hiring of Promotional Analysts to provide marketing intelligence that would allow the DOTT to penetrate existing markets and gain insight into new destinations.

3.3.4. The Chief Administrator submitted that the Prime Minister is the head of the National Committee on Tourism in Tobago. He advised that this Committee (on which he serves as Member) was recently established and is comprised of a cross section of stakeholders. At the time of the hearing with the THA the Committee had not convened any meetings.

### **Tourist Arrivals in Tobago Relative to other Caribbean Destinations**

3.3.5. The Committee took particular note of the fact that the number of tourist arrivals had declined from 88, 200 persons in 2005 to 22, 435 in 2015 despite the fact that arrivals in other Caribbean destinations increased. The Director of Tourism indicated that this aggregate decline was attributed to the following reasons:

- a. the airlift to the island was not readily accessible; and
- b. the introduction of the passenger tax severely affected the long haul travel as it increased the airfare cost thus making travel to Tobago very expensive.

### **Cruise Ship Arrivals**

3.3.6. The Committee took note of the important role cruise ship arrivals can play in Tobago's growth and recognition as a premiere tourism destination. As such, the Committee sought details on the cruise ship calls made in Tobago during the period 2010 - 2016.

Table 5 sets out the number of calls, visitors and the estimated amount of revenue earned in each year.

**Table 5 - The number Cruise Ships that arrived in Tobago, Arrivals and the Estimated Revenue Earned Annually from 2010 -2016**

| <b>Season</b> | <b>Cruise Calls</b> | <b>Cruise Visitor Arrivals (excluding crews)</b> | <b>Estimated Revenue</b> |
|---------------|---------------------|--|--------------------------|
| 2010/11       | 36                  | 51,999   | \$ 25,011,519.00         |
| 2011/12       | 38                  | 33,796   | \$ 16,255,876.00         |
| 2012/13       | 26                  | 28,729   | \$ 13,818,649.00         |

|              |            |                |                          |
|--------------|------------|----------------|--------------------------|
| 2013/14      | 22         | 19,028         | \$ 9,152,468.00          |
| 2014/15      | 46         | 56,222         | \$ 27,042,782.00         |
| 2015/16      | 52         | 89,891         | \$ 44,634,477.10         |
| <b>TOTAL</b> | <b>220</b> | <b>279,665</b> | <b>\$ 135,915,771.10</b> |

3.3.7. The Committee also heard from THTA about the importance of Tobago developing its year-round Tobago potential. The Association suggested that this may be achieved through successfully marketing Tobago to at least five (5) originating destinations namely; Europe, UK and Scandinavia and that limits the risks associated depending primarily on a single market and would provide sufficient tourist arrivals year-round to Trinidad and Tobago. This must also be complemented by an increase in Tobago's quality room stock of approximately 1, 500 additional rooms.

3.3.8. The Association suggested that at present, Tobago is too dependent on the UK market since during peak periods, 67 per cent of guests originate from the UK. Therefore, the ideal situation is to have 20 per cent risk in five countries, and should conditions in a destination become less favourable, Tobago can shift or vary its marketing strategy to focus on the more favourable destinations. The Association anticipated that these five (5) originating destinations should provide enough passenger load to justify two aircraft servicing Tobago per week.

### Rating/Classification of Tobago Hotels

3.3.9. The THA advised the Committee that Tobago hotels ascribe to self-imposed ratings and are reluctant to subscribe to international hotel rating standards. The Committee took note of the fact that there is no common international rating standard because the Americans and Europeans use different systems. Tobago hotels are rated by the tour operators that use the hotels and provide a star rating, for example Virgin Airlines has its own rating system that suits its clientele.



3.3.10. There are only 1, 000 tour operator quality rooms in Tobago. The Refurbishment Programme was intended to assist with improving room standards but according to representatives of the Tobago Hotel and Tourism Association, the success of the programme is questionable.

3.3.11. The THTA advised the committee of two different attempts to assist hoteliers in improving accommodation:

- one was managed by the Tourism Development Corporation (TDC) that provided 25% rebate up to \$60, 000 per room for room refurbishments. This incentive was initially only available in Trinidad and due to the decline in the industry the owners could not afford to undertake refurbishments;
- The second was a \$250M fund set up by the Government to finance '50 rooms and under' projects up to a maximum of 51%. However based on the business plan of most hotels, the banks did not grant any loans because of the poor performance of the industry.

## **Issues affecting Tobago Hoteliers**

### ***Registration of Tourism and hospitality properties***

3.3.12. The Committee was informed by the THA and the THTA that one of the main issues affecting hoteliers in Tobago is Registration of Properties for tourism and hospitality purposes. According to the Division of Tourism and Transportation, "at present there are truly no TT registered properties on the island....." DOTT explained that this was due to the delay in the completion of the necessary framework/modalities to guide the registration. The THA is collaborating with the Trinidad and Tobago Bureau of Standards to develop a Trinidad and Tobago Tourism Industry Certification Programme (TTTIC) through which property owners may be registered.

3.3.13. This has had a negative impact on the industry because there is no specified standard or regulatory framework. However, the THA stated that this matter should be

addressed when the National Policy on Tourism Product Development is completed. To be registered, an audit fee is required, the THA has sought advice to determine who would have to pay the fee. However, in the interim the THA conducts advisory visits to the property owners free of charge and provides recommendations for improving the infrastructure of the Hotel/Guest House.

***Lack of high quality rooms***

3.3.14. The Committee sought to determine the status of the Hotel Room Expansion Project relative to the acquisition of the **Manta Lodge and Sanctuary Villa Resorts**. It was confirmed that the properties were purchased at a cost of \$32M and will add 78 rooms to Tobago's room stock. However it is estimated that \$68M is required to complete the renovations of the two hotels which EIDCOT was contracted to manage. Further, the THA reported that as at October 2016, no refurbishment work has commenced on the properties. The delay in the project is attributed to a lack of funds and as such the THA was unable to indicate how soon refurbishment works will begin.

***Relatively poor standard of Customer Service***

3.3.15. The THA rated the Customer Service provided at hotels on the island as generally poor. This rating is based on feedback from surveys conducted throughout Tobago. The Committee enquired about the impact the poor standard of service has had on the industry and whether anything was done to address the matter. The Director of Tourism advised that the following measures were pursued to treat with the situation:

**a. Roving Caravan**

- a roving caravan to create awareness about the benefits of tourism and the need for improved customer service. It was reported that 25 schools were visited. The estimated cost of this initiative was \$50,000.00.

**b. Promotion via Electronic Media**

- The Communications/AV Unit of the Division of Tourism and Transportation of the Tobago House of Assembly embarked upon a 3-

month **Corporate Communications Image Improvement Campaign** during the month of July in 2016. The Committee was advised that this initiative is separate to the Tourism Community Awareness Programme that was launched in November 2015.

In July 2016, local corporate image campaign titled “Tourism is All Ah We Ting” was launched with a total budget of \$TT338, 000.00. The campaign included radio, print television ads, poster and essay competition as well as Social Media marketing.

**c. Small Tourism Enterprise Programme**

- The Caribbean Small Tourism Enterprises Project (STEP) is a regional initiative of the Organization of American States (OAS) aimed at assisting small tourism operators to enhance their competitiveness, profitability and sustainability. STEP focuses on tour operators, tour guides, tourist transport service providers and accommodation providers of less than seventy-five (75) rooms.
  
- All STEP training in Tobago is conducted in collaboration with the TDC and within the fiscal 2015/2016, training was done in the following areas:
  - Empowering the Tourism Entrepreneur;
  - The art of networking;
  - Maximising the Customer Experience;
  - Developing and launching a customer service charter that speaks to sustaining and maintaining service delivery standards in Tobago;
  - Defensive driving;
  - Upgrading the customer service skills of the tourist transport providers that will redound to a higher quality for both international and domestic visitors; and

- Basic first aid and CPR training.

A total of \$202,962.50 was expended by the Tobago House of Assembly for this training initiative.

3.3.16. Although the DOTT has undertaken these initiatives to improve customer service in Tobago, for customer service to be improved, stakeholders also have to be involved and provide training for their employees.

#### *Shortage of Labour to support the Tourism and Hospitality Industry*

3.3.17. In its submission to the Committee the THTA noted fact that the THA absorbs 70% of the labour force and this has adversely impacted the availability of a supply of labour to meet the demands of the Tourism and Hospital Sector in Tobago. Although, supplementing this shortage with labour from Trinidad is an option, there are prohibitive costs which hoteliers will have to bear such as the cost of accommodation for employees.

#### *Low Hotel / Guest Room Occupancy Rate in comparison with other Caribbean Destinations*

3.3.18. The room occupancy for hotels was between 35 to 40% for 2015. The hotels usually have a higher occupancy rate than guest houses. The average nightly hotel rate was \$1,086 (\$167 US) per night and \$344 (\$54) for guesthouses. When compared to the region, Tobago's room occupancy for 2015 was about 30% less, since the average in the region was about 68.8% at a nightly rate of \$299US.

3.3.19. The committee sought to determine the reason(s) for the low room occupancy in Tobago in comparison to the region. **The main reason highlighted was that Tobago does not have a recognisable international hotel chain.** The Committee questioned whether one of the THA's main objectives was to attract and encourage international hotel brands. In response, DOTT submitted that there are certain matters that are outside of the THA's remit such as foreign investment and the offering of incentives to investors. Therefore,

the central government must play a role in making the investment climate in the tourism industry more attractive.

### *Bureaucracy involved in applying for a land license*

3.3.20. The Tobago Hotels and Tourism Association lamented that when restrictions were placed on foreigners being able to purchase land without a licence in February 2007, Tobago has lost 12 investment projects due to this administrative hurdle.

## **The Profitability of the Tobago Jazz Festival**

3.3.21. The Committee acquired information on the cost and benefits of the Tobago Jazz Festival/experience. The Committee was informed that with respect to the 2016 installment of the festival the original budget was \$19M, but due to economic constraints, it was reduced to \$16M. When questioned on the profitability of the 2016 festival, the Committee was advised that the festival did not generate a profit. Based on the information provided by the Division in the 11 years of the Festival it has never been profitable.

3.3.22. The Administrator of the Division of Tourism and Transportation indicated that the objective of the festival was not only about earning profits but to provide opportunities to Tobago's entrepreneurs to improve and develop and to attract tourists to explore and experience the island's culture.

3.3.23. THTA informed the Committee of an Oversight Committee (comprising both state and private sector stakeholders) which was responsible for overseeing the planning of the Jazz Festival but was discontinued. In response, the THA advised that the Oversight Committee was formed in 2014 with the mandate to evaluate the operations of the Tobago Jazz Experience and propose the way forward for the festival. This committee was chaired by the Senior Tourism Coordinator, Ms. Nova Alexander and included members from the private sector and other THA Divisions including Community Development &

Culture as well as Finance & Enterprise Development. This Committee held only one meeting and was subsequently disbanded due to Ms. Alexander's departure from the Division.

### **A Tobago Marina**

3.3.24. The Committee enquired whether the DOTT considered developing a Marina or a Haul Out facility for Tobago in order to minimise the damage to the equipment of the fisherman; boat owners and yachters. In response, the Chief Administrator advised that the construction of a Marina is considered a priority project by the Government that is geared towards Tobago's development and the expansion of its tourism industry. At present, surveys are being conducted to determine an ideal location for the marina.

### **Land Ownership by Foreigners in Tobago**

3.3.25. The Committee sought to ascertain whether the 2007 legislation that prohibits a foreigner from owning land in Tobago without a licence has, adversely impacted the level of foreign direct investment the island receives. The Chief Administrator advised that he does not have any evidence to confirm the impact of the law and that the policy is being reviewed by the THA. The legislation was passed to prevent land prices from increasing since at the time in question, the average Tobagonian was unable to purchase land because the prices were exorbitantly high. The process for foreigners to acquire the licence is mainly controlled by the Ministry of Trade and Industry and not the THA.

### **Infrastructural Issues on Little Tobago / Bird of Paradise Island**

3.3.26. The Committee enquired about the infrastructural challenges confronting this tourist attraction. The Committee was advised that the jetty has been under repair for some time which is a deterrent to many people because the dock is not safe. There are issues with many of the jetties in Tobago because of the exorbitant costs associated with conducting repairs and upgrades. These costs include: the acquisition of cranes and

barges cost millions of dollars. The material and labour are not readily available in Tobago and they have to be sourced from Trinidad. The THA indicated that it considered the (Public-Private Partnerships) PPP approach as an option for this and other developmental projects such as a port at Studley Park Quarry.

### **Expenditure on Eradicating the Sargassum Seaweed**

3.3.27. The Division of Tourism and Transportation has been exploring various avenues to minimise the impact of the seaweed on the island and has collaborated with other organizations in identifying solutions. The Sargassum has cost the Tobago House of Assembly (THA) over \$3 million as at April 2016 and removing it has not been without its challenges. Funds used in the eradication efforts were withdrawn from the Contingency Fund, which is designated for unforeseen circumstances based on the directive of the Executive Council.

### **The Impact of Travel Advisories on Tourism in Tobago**

3.3.28. The Committee sought clarification on the marketing initiatives used to brand and counter the negative publicity the island receives from time to time. The THA contended that although the advisories are directly related to the high crime rate in Trinidad, the advisories refer to both islands. The THA suggested that in every developing tourist industry crime exists and in response to this, the THA has introduced the Tourism Police Unit that conducts patrols on bicycles.

### **The Status of Initiatives / Projects aimed at Improving Tobago's Marketability as a Tourist Destination**

#### **Issues that affect the Tobago's Marketing Strategy**

3.3.29. The Committee was informed by THTA that some of the main issues affecting Tobago's attractiveness as a tourism destination are as follows:

- a. the lack of funding to market Tobago as a tourist destination;
- b. the timeliness in the release of funds and the uncertainty in the amount that will be approved;

- c. room upgrades have to be done in relation to the marketing of the island and the issuing of land licences for both large and small property owners;
- d. the lack of advanced advertising and promotion of Festivals on the island. For example the Tobago Jazz Experience should be advertised 12 months in advance to encourage international visitors and not only domestic tourism.

3.3.30. Other issues affecting the tourism industry which were identified by THTA include:

- the processing of land licences for foreign investors;
- the regulation of property ownership;
- verification of land titles;
- the reluctance of persons to work in the tourism industry because the salary of other Government sponsored employment is more attractive/competitive;
- the absence of an Airlift Committee for the last five years;
- the lack of Private Sector involvement in various aspects of the industry;
- The dysfunctional relationship between the private sector, the Ministry of Tourism and the THA;
- There are no direct, non-stop international flights to Tobago;
- The lack of priority place on the renovation of the A. N. R. Robinson International Airport.

3.3.31. The Committee enquired about the \$151, 635,123 spent on the promotion of Tobago during the period 2005-2015. The Director of Tourism advised that this money was spent on onshore and offshore marketing, for example; road shows, training, career fairs, and engaging new marketing initiatives. In terms of the THA's satisfaction with Tobago's international recognition compared to other Caribbean destinations, the Director indicated that the Division was satisfied but there is room for further development which can be realized through an increase in financial resources. The increase would provide sustained marketing, increased airlift support and enhance the island's product. The tourism marketing budget for Tobago is significantly lower than other Caribbean destinations, for example in 2013 Barbados spent \$US94.4M; St. Lucia spent \$US50M in 2009 whereas in 2009/2010 Tobago spent \$US1.39M.



## **A Comprehensive Plan for Sport Tourism**

3.3.32. In light of the on-going discussions with the Ministry of Sport and the various sporting activities hosted in Tobago, the Committee enquired whether the THA has a comprehensive plan for Sport Tourism. The Committee learned that the DOTT has a Sport Tourism Committee that is working on the policy. The various sporting activities have attracted a number of visitors from the UK.

## **Findings**

3.3.33. Based on the evidence received there is no doubt that Tobago's tourism industry is in need of substantial state support to remain viable and competitive. The Committee acknowledges Tobago's tourism plan as outlined in the Comprehensive Economic Development Plan (CEDP). Volume one of the CEDP outlines the policy and Volume Two outlines the implementation plan. In addition to these plans, Trinidad and Tobago also has a national tourism policy. These plans and policies combine to outline the various ways in which Tourism must be targeted and developed. The Plan may be the catalyst for generating a turnaround in the industry but the current constraints in government revenue, has made it difficult to pursue the objectives of the CEDP.

3.3.34. The significance of marketing Tobago as a tourist destination was underscored by the THA and private sector stakeholders. The Director of Tourism presented evidence which suggested that the amount of funds allocated for marketing "destination Tobago" was significantly less than our Caribbean counterparts. During the period 2005-2015 an average of \$13.8 Million was spent on marketing Tobago. Whilst this amount may have been less than other Caribbean destinations, it was evident that there were other factors that contributed to the decline in tourist arrivals in Tobago over the past 10 years. Also noteworthy was THTA's suggestion that the THA should focus on effectively marketing Tobago's tourism products to at least five (5) originating tourism destinations as a means

of supplying the island with a relatively sustainable number of tourism arrivals on a year-round basis.

3.3.35. The competence and capacity of those responsible for managing Tobago's tourism marketing efforts must be critically assessed to ensure that the most suitable persons are available to drive Tobago's promotional efforts, particularly in the context of limited resources.

3.3.36. Tobago is struggling to compete with other tourism destinations because of various reasons including; the islands location, the poor quality of customer service; an insufficient number of high quality rooms. The THTA suggested that Tobago is in urgent need of at least two thousand (2,000) additional first class rooms with a three to five star rating. Once this happens, tour operators will increase their sale of business to Tobago and there will be an increase in the number of international flights into the island. This will provide direct and indirect revenue streams on the island by generating sustainable jobs in the tourism industry and additional foreign exchange for the country.

3.3.37. It is quite evident that in contrast with previous eras, Tobago's tourism industry is now heavily dependent on domestic tourists (from Trinidad) to drive commerce and ultimately stabilise business. However, it was noted that domestic tourism is not a source of foreign exchange, therefore despite increasing domestic arrivals, the THA must sustain its efforts to attract a greater number of international arrivals.

3.3.38. Furthermore, the Committee was disappointed to learn that notwithstanding the importance of domestic tourism, there was no mechanism for accurately recording or determining the number of domestic arrivals to Tobago. In cases where this information is recorded there are issues with the validity of the information. The collection of information of this nature is crucial for understanding the state of Tobago's tourism industry and informing the formulation of tourism policies.

3.3.39. The Committee acknowledged the initiatives geared towards the revitalization and expansion of the tourism industry in Tobago through the introduction of an air service from Brazil to Tobago, Virgin Atlantic (resumed its service to the island) and the promotional activities that included several regional and international tours including visits to Latvia, Switzerland, Scandinavia and Austria. With the expansion of the airlift into the European market, there is an expectation that it would result in an increase in the number of tourist arrivals. The Committee acknowledged that in order to better accommodate the airlines and passengers the ANR Robinson International Airport must be renovated and upgraded to the required international standard.

3.3.40. The benefits of the Tobago Jazz Experience was assessed in broad terms. The Committee took particular note of the fact that for the period 2011 to 2016 there was a revenue shortfall of \$48, 127, 532. Given prevailing economic circumstances, the THA must work assiduously to further enhance the economic returns on its investments in this and other festivals. Revenue generation must be an underlying priority for the THA and therefore tangible returns on investments should be a key objective. The Committee took note of the indirect and unquantifiable benefits of the Jazz Festival gained by sole traders, business owners and communities.

3.3.41. With respect to the impact of land tenure and access to land on foreign direct investment in the tourism sector, the Committee concludes that the introduction of the land licence application process has resulted in a more protracted process for acquiring land for the purpose of undertaking tourism and hospitality projects and is a deterrent to investors. Invariably the regulation of the distribution of a scarce resource such as land is an important policy initiative for ensuring transparency, accountability and fairness. What appears to be needed is a more expeditious system for processing applications for a land licence.

3.3.42. The Committee understands that the National Policy on Tourism Product Development is being completed and is expected to address the issue of the approval, inspection and registration of accommodation providers. The Committee was concerned that only 10 licences were issued since 2007 because it took almost three years for the registration process to be finalised.

3.3.43. The maintenance and restoration of tourist attractions must be a priority for the THA particularly since the sector is classified as heritage and festival based. The advent of new tourism attractions is unlikely, therefore in the short to medium term, Tobago must preserve its existing sites and attractions. Evidence submitted suggested that resources have been allocated towards the eradication of the Sargassum Seaweed. However, the infrastructural issues on Little Tobago / Bird of Paradise Island are yet to be addressed due to a lack of financial resources.

3.3.44. Although there is no common international rating standard for hotels, the THA has a responsibility to promulgate local standards for accommodation in the tourism sector. It may be useful for the THA to consult with local hoteliers and guesthouse owners, tour operators and the Bureau of Standards with a view to establishing standards for accommodation.

## **Recommendations**

- A. Based on consultations with relevant stakeholders, the Division of Tourism should produce standards for accommodation facilities in Tobago. This should be complimented by a compulsory registration process to certify all accommodation used for tourism hospitality purposes. Such certification must be mandatory, not optional.**
  
- B. The Committee recommends that the THA consider introducing a Tourism Site Preservation Programme that is supported by volunteers from the community who are willing to assist in the maintenance of tourist attractions. This approach**

would encourage Tobagonians to be more involved in preserving heritage sites and would also encourage greater community involvement. The Committee acknowledges the existing initiatives of the THA that aims to market Tobago as clean, safe and serene.

- C. The THA along with the Central Government must continue to make strategic decisions in the interest of Tobago's tourism sector as it is an important platform to create sustainable jobs and increase the contribution of tourism to GDP. This can only be achieved by expanding the tourism product available in Tobago and developing creative strategies for distinguishing the island of Tobago from other Caribbean destinations.
- D. In order to encourage more FDI in the tourism sector, we recommend that the THA undertake a review of processes and procedures that investors are required to engage in with a view to eliminating all unnecessary delays and barriers to investments. Given the prevailing economic circumstances, the Committee anticipates that the Government would be reviewing its incentive programmes to ensure that the incentives and inducements offered to foreign investors are attractive and competitive. In this regard, special incentives must be deployed in order to encourage internationally recognised hotel chains to invest in Tobago.
- E. In support of the previous recommendation, it would be beneficial for persons wishing to invest in Tobago's Tourism sector to have a single-electronic portal or platform that they could visit to acquire information, complete e-forms and pay application fees. Enhancing the "ease of doing business must business" in Tobago can also act as an incentive for greater FDI.
- F. The Committee recommends that in addition to the Tourism Police Unit, the THA collaborate with the TTPS and the Ministry of National Security with a view to:

- a. **deploying additional mobile Police posts at appropriate locations. Along with this, the THA should encourage the TTPS to engage in various tactical measures to ensure high police visibility;**
  - b. **installing CCTV cameras in areas frequented by tourist as a means of enhancing police surveillance.**
- G. The Division of Tourism must also consider having free Customer Service training for all persons involved in the Tourism Sector and particularly for small and medium size accommodation facilities who may be unable to afford private training for their employees. Further, Customer Service Training should be a compulsory condition for any hotel or guesthouse to received state-sponsored incentives.**
- H. The THA must collaborate with stakeholders to allow for an agreed programme to brand, market and grow the island’s tourism industry to attract investment, airlift and arrivals. Contingent on the increase in government revenue, additional funding should be allocated to boost Tobago’s Destination marketing initiatives.**
- I. Given the current financial constraints confronting the THA, there is a need to prioritise which airlines received financial incentives to fly to Tobago. We recommend that the resuscitation of the Airlift Committee or some other suitable forum whereby the THA can benefit from the input of hoteliers and other stakeholders regarding the prioritisation of funding for the airlift.**
- J. The Committee recommends that the THA through its Division of Tourism and Transportation adopt the most cost effective and efficient approach to marketing Tobago to selected originating destinations. The spreading of risk across five (5) selected source countries will ensure that reductions in tourist arrivals from a particular destination does not cripple Tobago’s international tourism inflows.**

- K. An education programme must also be implemented to inform the population of the value of tourism and its importance to the national economy, the sector's significance to the thrust for diversification, and at the same time educates the workforce as to the potential and flexibility of a career in tourism.**
- L. The Committee acknowledges the importance of regulating the allocation of land to foreign investors in Tobago. However, as a result of the delays in the issuing of licences, the Committee recommends that the THA consult with the Ministries of Finance and Trade and Industry with a view to exploring the feasibility of introducing a Blanket Developer's licence which would allow for the ease of property sale in the future since the licence would be attached to the property.**
- M. The Committee recommends that for the fiscal year 2016/2017, the THA must revised the "business model" for the Jazz Festival to alleviate the significant shortfall in revenue compared to expenditure. The organisers of the festival should be mandated to produce revenue projections for the event and an implementation plan for realising the revenue projections.**
- N. The Committee recommends that the THA provide the Parliament with details on the amount spent and works completed on upgrading jetties in Tobago for the past 5 years.**
- O. With respect to the shortage of labour to supply the hotel/tourism sector in Tobago, we recommend that the THA collaborate with Central Government, in particular the Ministry of Foreign Affairs with a view to facilitating a greater movement of hospitality works from other Caribbean islands to Tobago.**

## Inquiry Objective 4 - The efficiency and Reliability of Transportation Services

### Sea Transport

3.4.1. The Committee was informed that for the most part, the sea bridge between the islands operates regularly. However, capacity of the inter-island Ferry Service is reduced when vessels are dry docked the during peak travel periods. For example during the period June 01 to July 01, 2016, the *TT Spirit*, one of the inter-island ferries was be dry-docked to be refurbished. As a result, there was an increase in the number of sailings of the *TT Express* to fill the void. It was also noted that if necessary, one of the Water Taxi vessels may be used to supplement sailings of the *TT Express*. These issues have been raised by the THA with the Transportation Board and as such are addressed at that level.

3.4.2. The Committee sought information on the cost of operating the two fast ferry services and the revenue earned over an 8 year period (2009-2016). The table below provide the details.

**Table 6**  
Expenditure and Revenue re: *TT Spirit Fast Ferry*

| Year         | Actual Expenditure    | Actual Revenue        |
|--------------|-----------------------|-----------------------|
| 2016         | \$ 70,844,019         | \$ 28,174,139         |
| 2015         | \$ 31,973,669         | \$ 27,902,488         |
| 2014         | \$ 59,191,142         | \$ 34,568,776         |
| 2013         | \$ 63,650,524         | \$ 35,371,307         |
| 2012         | \$ 78,425,364         | \$ 33,373,554         |
| 2011         | \$ 48,918,610         | \$ 42,896,015         |
| 2010         | \$ 96,564,520         | \$ 35,184,913         |
| 2009         | \$ 47,749,483         | \$ 34,391,150         |
| <b>TOTAL</b> | <b>\$ 497,317,331</b> | <b>\$ 271,862,342</b> |

Note: Expenditure excludes overhead costs



**Table 7**

Expenditure and Revenue re: *TT Express Fast Ferry*

| <b>Year</b>  | <b>Expenditure</b>    | <b>Actual Revenue</b> |
|--------------|-----------------------|-----------------------|
| 2016         | \$ 62,654,571         | \$ 34,059,792         |
| 2015         | \$ 40,522,755         | \$ 31,407, 079        |
| 2014         | \$ 59,052,164         | \$ 28,630,011         |
| 2013         | \$ 76,729,288         | \$ 31,129,025         |
| 2012         | \$ 64,059,354         | \$ 47,995,699         |
| 2011         | \$ 72,148,963         | \$ 31,379,191         |
| 2010         | \$ 77,886,907         | \$ 40,594,142         |
| 2009         | \$ 67,797,985         | \$ 28,074,848         |
| <b>TOTAL</b> | <b>\$ 520,851,987</b> | <b>\$ 241,862,708</b> |

Note: Expenditure excludes overhead costs

## **Air Transport**

3.4.3. The Committee was informed that during the off-peak period, the Air transportation service is satisfactory. However, challenges arise during the peak hours/periods. These peak periods include:

- Friday evenings departing Trinidad for Tobago and on Sunday evening departing Tobago for Trinidad;
- Easter holidays;
- July / August period; and
- During the Tobago Jazz Festival.

3.4.4. CAL in a written submission to the Committee dated May 11, 2016, stated that in the last year, the airline has met and exceeded demand expectations during Christmas, Carnival, Easter the Jazz Festival and other holiday weekends when the demand is high. As a result, to improve the management of the air service, the THA and Caribbean Airlines have developed a “Heat Map” which identifies the peak periods to determine

the number of seats/planes that are required to meet the increased demand for air transport during these periods. In the past the THA contracted a private airline during the July/ August period to alleviate the congestion on the air bridge. However this option was not feasible because it provided competition to the national airline which is heavily subsidized.

3.4.5. The Transportation Coordinator also stated that CAL does not provide a dedicated airline service between both islands. He contended that while there may be issues with the aircrafts that cause flight delays, CAL would use similar aircrafts to service regional travel rather than use the aircrafts for the domestic flights.

3.4.6. Based on the challenges with the air bridge, the Committee was advised that a policy document is being prepared to be submitted to the Executive Council for approval. Thereafter, the document will be submitted to CAL and Central Government for consideration with a recommendation that the air bridge be made an “Essential Service” and delinked from the general operations of CAL.

3.4.7. CAL in its submission indicated that the airline considers its service between Trinidad and Tobago as high priority. As such, the airline provides 300 return flights per week, but it is faced with a number of challenges which include:

- The small fleet size- there are currently 5 ATRs and 4 are used on the air bridge between Trinidad and Tobago;
- heavily subsidized airfare that is not competitive;
- flight cancellations due to load consolidation (*36% of flights were cancelled over the past year*)

3.4.8. The THA reported that, the statistics on domestic arrivals also include regional arrivals since these two categories of tourists are not differentiated. There are no direct regional flights to Tobago since all regional flights go to Trinidad. There are also no accurate figures on domestic (Trinidad visitor) arrivals. The THA counts every journey,

whether to or from Trinidad, and does not identify tourists or purpose of visit when collating travel statistics. It appears that the THA only records information on regarding the purpose of a visit.

3.4.9. It was also interesting to learn that there are no non-stop flights to Tobago. Some flights have been completely lost due to the fact that over the last 10 years there has been a serious lack of destination awareness and a lack of investment in existing or new hotels. Information provided by the THA indicated that during the period 2005-2015, \$346,395,556.86 was spent on International airlift. As a result of this, the THA submitted that its return on investment for this significant expenditure was \$347,655,567. Table 6 provide a more detailed breakdown of funds paid to individual airlines to guarantee their services to the island during the period 2005-2015.

**Table 8**

| <b>Airlines</b>               | <b>Amount</b>     |
|-------------------------------|-------------------|
| Travel Span                   | \$ 630,005.00     |
| Thomas Cook                   | \$ 630,055.00     |
| Golden Holiday                | \$ 23,349,697.16  |
| Martinair                     | \$ 5,238,707.47   |
| Lauder Air                    | \$ 18,116,456.38  |
| Basic Services Group (Condor) | \$ 34,967,180.39  |
| Golden Caribbean              | \$ 5,298,267.00   |
| Excel Airways                 | \$ 9,220,512.50   |
| British Airways               | \$ 42,780,948.80  |
| Virgin Holidays               | \$ 34,313,448.54  |
| Delta Airlines                | \$ 20,959,891.82  |
| Monarch                       | \$ 138,985,945.44 |
| Kuoni Apollo                  | \$ 7,823,005.00   |
| GOL Airlines                  | \$ 4,118,843.03   |

|                    |  |
|--------------------|--|
| Caribbean Airlines | \$ 1,222,653.32                                |
| <b>TOTAL</b>       | <b>\$ 346,395,556.86 Or US \$53,291,624.10</b> |

3.4.10. The THA reported that for fiscal 2014/2015 international arrivals by sea and air were 110,069. A further breakdown suggests that international arrivals by air was 30,401; Yachts was 828; cruise passengers were 56,220 and crew was 22,620.

## Public Transport

### *To Assess the Reliability of the Public Transportation System in Tobago*

3.4.11. PTSC's fleet in Tobago is comprised of forty-five (45) buses, but as at April 2016 only fourteen (14) were operational, this number fluctuates because the fleet is aged. Therefore the service is unpredictable and inadequate to meet the requirements of Tobagonians. PTSC's resources are stretched even further when the DOTT request buses to transport tourists from cruise ships.

3.4.12. PTSC Engineering Department has ten (10) mechanics who are required to conduct repairs and maintenance works on the buses. However, the challenges associated with acquiring spare parts have hindered the servicing of the defective buses. It was reported that it may take up to six (6) months for a spare part to arrive. Additionally, the THA submitted that there were plans to source (fifty) 50 Brazilian buses, but due to financial constraints this plan was placed on hold.

3.4.13. With respect to the availability of public transportation for persons with disabilities, the Committee was advised that ELDAMO buses were purchased specifically for persons with disabilities and not for the general public.

## Findings

3.4.14. The Committee noted in particular that infrastructural shortcomings at the ANR Robinson International Airport has hindered Tobago from benefiting from the services of international airlines. It was reported that approximately \$350 Million was spent on airlift over the last 5 years. The return on this investment is dubious given that during the period 2011 to 2013 was a decline in international arrivals to Tobago. Arguably this decline in international arrivals may be attributed to factors beyond the control of the THA or the GORTT. In fact, the competitive nature of the tourism industry particularly in the Caribbean region compounded by Tobago's southern-most location relative to the chain of islands, provide strong justification for the THA's decision to provide financial incentives to airlines. Nevertheless, we are concerned about the sustainability of this arrangement. The THA should consider rationalizing this programme to focus funding on airlines/flights that bring the largest number of passengers to Tobago.

3.4.15. With respect to domestic air transportation, the submissions received mainly from the THA, suggested that during the off-peak periods the service provided by Caribbean Airlines is reliable. However, during peak periods satisfying the demand for flights and maintaining a reliable service is a challenge. We were pleased to learn that a "Heat Map" is being used as a mechanism for anticipating and addressing the increased demand for flights during peak periods. Given that the number of aircrafts on this route has not increased, it is difficult to imagine the airline providing a more reliable service during peak times. The vagaries of managing an airline service that include unscheduled maintenance and repairs demand makes it difficult for CAL to meet their clients' expectations. Notwithstanding, Caribbean Airlines must ensure that as far as possible predictable aircraft maintenance is conducted during off-peak periods.

3.4.16. It is axiomatic that reliability and efficiency of the inter-island transportation has a significant impact on the standard of living in Tobago and is important for ensuring that there is an ease of doing business between both islands. In view of this, the

Committee believes that there may be some benefits to be derived by declaring the air transportation and inter-island ferry service as essential services. It is incumbent on the THA to communicate such a proposal to Cabinet. The THA's proposal must clearly outline the rationale and potential implications of this proposal.

3.4.17. The growth in cruise ship and domestic arrivals to Tobago is encouraging and is good for business. However, private sector stakeholders emphasized that there needs to be an increase in international arrivals to increase the inflow of foreign exchange. It is evident that the unavailability of non-stop flights to Tobago, has significantly affected Tobago's attractiveness as a destination. Tourists from the Northern Hemisphere have several destinations to choose from and therefore any barriers to travelling to a destination would have an adverse impact on the number of arrivals. The Committee appreciated the valuable insights provided by THTA with respect to this matter. As such we took particular note of the fact that this is a challenging era for airline operations and airlines seek to benefit from economies of scale and are no longer prepared to fly once per week to a destination. Thus there is need for at least two non-stop flights to a destination to assist with crew rotations and costs and maximising the aircraft usage.

3.4.18. Although the growth in Cruise ship visitors is a welcomed sector of the market, Tobago has not managed to maximise spend by providing facilities or amenities for the passengers to take advantage of, and the island only receives a fraction of tourists compared to other islands.

3.4.19. As it relates to the efficiency of public transportation in Tobago, the Committee was alarmed by the shortage of PTSC buses in Tobago. The situation seems untenable especially since the fleet of buses has been significantly depleted and is plagued by various defects. In view of this, the Committee is in full support of the acquisition of additional buses to service the public. However we acknowledged that the acute shortage of public funds has prevented the THA from pursuing this initiative.

3.4.20. It is also commendable that PTSC facilitated a visit by mechanics from the company that manufacturers training of mechanics.

## **Recommendations**

- A. We recommend that the THA collaborate with CAL and the airlines' line Ministry with a view to developing a feasible strategy for increasing the number of seats available to passengers during peak periods. Given that flights to and from Tobago require a shorter rotation time than regional and international flights, consideration should be given to facilitating a few flights to Tobago by a larger aircraft in CAL's fleet. Naturally, the success of this proposal would depend on the availability of redundant or dormant aircraft, flight crew to facilitate the movement of a larger aircraft, among other determinants.**
  
- B. To supplement recommendation (A), it is proposed that in instances where all ATR aircraft flights are booked/sold out, consideration can also be given to offering advance passengers bookings on larger aircraft should they be willing to pay an increased ticket price (E.g. \$500 return).**
  
- C. Given the prevailing economic circumstances, the committee recommends that the THA consider acquiring additional buses on an incremental basis rather than the large scale / single purchase.**
  
- D. Given that the construction of a new Airport in Tobago appears not to be plausible in the short-term, the THA should hold discussions with representatives of all airlines that fly to Tobago in order to develop a check list of issues at the ANR Robinson Airport that needs to be addressed. Subject to the availability of funds, the priority items on this check list should be addressed within established timeframes.**
  
- E. The Committee also recommends that the THA collaborate with the Port Authority of Trinidad and Tobago (PATT) and the Central Government for the**

**purpose of undertaking further upgrades to berthing/docking facilities at the Port of Scarborough. This should be viewed as a priority project since visits to Tobago by international cruise lines is a potential source of foreign exchange.**

The Committee respectfully submits the foregoing for the consideration of the Parliament.

H.R. Ian Roach  
**Chairman**





# Appendix I

# Minutes

**Minutes of the 6<sup>th</sup> Meeting of the Joint Select Committee appointed to inquire into and report on Local Authorities, Service Commissions, Statutory Authorities (Including the THA) held in The Penthouse Suite, LEVEL 4, Victor e. Bruce Financial complex, Scarborough, Tobago held on Wednesday April 27, 2016**

**PRESENT**

**Members**

|                               |               |
|-------------------------------|---------------|
| Mr. H. R. Ian Roach           | Chairman      |
| Ms. Ramona Ramdial, MP        | Vice-Chairman |
| Mr. Daniel Solomon            | Member        |
| Mr. Darryl Smith, MP          | Member        |
| Mrs. Jennifer Baptiste-Primus | Member        |
| Mr. Nigel De Freitas          | Member        |

**Secretariat**

|                     |                     |
|---------------------|---------------------|
| Mr. Julien Ogilvie  | Secretary           |
| Ms. Khisha Peterkin | Assistant Secretary |
| Ms. Gina Marajh     | Research Assistant  |

**ABSENT**

|                       |                  |
|-----------------------|------------------|
| Mr. Faris Al-Rawi, MP | Member (Excused) |
| Mr. Stuart Young, MP  | Member (Excused) |

Also present were:

**THE OFFICIALS FROM THE TOBAGO HOUSE OF ASSEMBLY (THA)**

Mr. Raye Sandy                      Chief Administrator

**Division of Finance and Enterprise Development**

|                            |                          |
|----------------------------|--------------------------|
| Ms. Jacqueline Job         | Administrator            |
| Ms. Esther Pilgrim- Soanes | Director of Finance      |
| Ms. Shelly Trim            | Budget Analyst IV        |
| Mrs. Petal-Ann Roberts     | Senior Financial Analyst |

**Division of Tourism and Transportation**

|                            |                     |
|----------------------------|---------------------|
| Ms. Cheryl-Ann Solomon     | Administrator       |
| Ms. Frederica Brooks-Adams | Director of Tourism |

|                  |                            |
|------------------|----------------------------|
| Mr. Samuel Henry | Transportation Coordinator |
| Ms. Gwen Toppin  | Management Accountant      |

**Division of Infrastructure & Public Utilities**

|                           |                    |
|---------------------------|--------------------|
| Mrs. Wendy Guy- Hernandez | Administrator      |
| Ms. Sherrilyn Paul        | Project Officer II |

**Public Transport Service Corporation (PTSC)**

|                       |   |
|-----------------------|---|
| Mr. Henry Cook        | Assistant Deputy General Manager-Operations |
| Mrs. Patricia Clarke  | Assistant Operations Manager                |
| Mr. Barry -Lee Graham | Supervisor - Mechanical Engineering         |

**Division of Agriculture, Marine Affairs, Marketing and the Environment**

|                       |                            |
|-----------------------|----------------------------|
| Ms. Nevlin Renwick    | Administrator              |
| Ms. Ruby Warner       | Technical Officer          |
| Mr. Carl Murray       | Agricultural Officer II    |
| Mr. Abdullah Chadband | Specialist Engineer        |
| Ms. Karen Shaw        | Agro Investment Specialist |

**COMMENCEMENT**

- 1.1 The Chairman called the meeting to order at 9:30 am (*in camera*) and welcomed those present.
- 1.2 The Chairman informed Members that both Mr. Young and Mr. Al-Rawi have asked to be excused from the meeting.

**CONSIDERATION OF THE MINUTES OF THE 6<sup>th</sup> MEETING HELD ON MARCH 23, 2016**

- 2.1 The Chairman asked Members to examine, page by page, the Minutes of the Meeting held on Wednesday March 23, 2016.
- 2.2 There being no corrections or omissions, the Minutes were confirmed on a motion moved by Mrs. Baptiste-Primus and seconded by Mr. Smith.

**MATTERS ARISING FROM THE MINUTES**

- 3.1 The Chairman referred the Committee to the following paragraphs of the Minutes:
  - **Item 4.1, page 3** - with regard to the draft Inquiry Proposal on the SWRHA, the Chairman informed Members that no comments and / or suggestions were received from the Committee, therefore Members were granted an additional week to review the document.

**PRE-HEARING DISCUSSIONS RE: THE TOBAGO HOUSE OF ASSEMBLY (THA)**

- 4.1 The Chairman informed the Committee that 19 officials of the Tobago House of Assembly (THA) were expected to be present at the hearing. The list of witnesses was circulated to Members for their information.

- 4.2 The Chairman indicated that the THA's pre-hearing submission was received on April 22, 2016 and circulated to Members via email on the same day.
- 4.3 The Chairman advised that an *Issues Paper* was prepared by the Secretariat, based on the THA's submission, and circulated on April 25, 2016.
- 4.4 The Chairman reminded Members that in order to optimise time, questions from the Committee should be precise and direct.
- 4.5 The Chairman informed the Committee that the Divisions of the THA will be examined in the following order - Finance and Enterprise Development; Tourism and Transportation and Agriculture.
- 4.6 Mrs. Baptiste-Primus declared that as Minister of Labour and Small Enterprise Development, she had an interest in the operations of the Division of Finance and Enterprise Development since her Ministry works closely with the Division. As a consequence, she indicated that she will refrain from participating in the questioning of officials of the Division.

#### **OTHER BUSINESS**

- 5.1 The Chairman indicated that the next meeting of the Committee will be held on Wednesday May 25, 2016, in Trinidad to continue the examination of the officials of the THA.
- 5.2 The Committee agreed that the South-West Regional Health Authority will be the next entity to be examined by the Committee in June.
- 5.3 There being no further business for discussion *in camera*, the Chairman suspended the meeting at 9:45 a.m.

#### **PUBLIC HEARING WITH OFFICIALS OF THE TOBAGO HOUSE OF ASSEMBLY (THA)**

- 6.1 The Chairman reconvened the public meeting at 10:15 a.m.
- 6.2 The Chairman welcomed and thanked the officials from the THA for attending and advised that it was the first meeting of a Joint Select Committee to be held in Tobago since the commencement of the 11<sup>th</sup> Parliament.
- 6.3 The Chairman also made announcements in relation to the:
- constitutional powers and mandate of the Committee;
  - privileges and immunities afforded to officials appearing before the Committee;
  - various media channels the public can use to interface with the Committee.
- 6.4 Introductions were made.

- 6.5 The Chairman reminded those concerned that one of the objectives of the Committee's inquiry was to assess the sufficiency of the annual budget allocation and the management of its resources.

### **Discussions with officials of the Division of Finance and Enterprise Development**

#### **Opening Statement**

- 7.1 The Chairman invited the Chief Administrator of the THA, Mr. Raye Sandy to make a brief opening statement. Mr. Sandy gave a brief overview of the THA's Budgetary Cycle which starts in June when the THA's budget is presented. He explained that this is not finalised until the national budgetary allocation is made which is at the end of the financial year in September. The budget is then revised by the Division and certain projects and programmes are prioritized before presentation to the Executive Council for approval.
- 7.2 The Chairman acknowledged receipt of the THA's written submission on April 22, 2016. He also acknowledged receipt of submissions from Ms. Christlyn Moore on behalf of the *Tobago Forwards* and the *Tobago Hotel and Tourism Association*.
- 7.3 The following issues arose from the discussions held with the THA officials:
- i. **Projected monthly releases from central government**
    - a. In response to an inquiry regarding the amount received from central government for the first quarter of 2016, the Director of Finance stated that the requested sum for the 'third quarter' was \$486,457,600 and they received \$162, 152,533.33. Central Government is now releasing funds to the THA on a monthly basis which is in contrary to Section 47 of the THA Act.
    - b. The Committee sought to determine how this affects the operations of the Assembly, the Director indicated that payment to suppliers and other commitments are affected. The Committee was also informed that the Executive Council decides how expenditure should be prioritized.
  - ii. **The identification of new revenue streams**
    - a. The Committee highlighted the fact that the THA have not determined any new revenue sources. Clarification was sought to determine whether revenue generation was an immediate priority of the Assembly. The Chief Administrator informed the Committee that other sources of revenue are being examined, including the Studley Park Quarry, agriculture production and sport tourism.
    - b. The Committee sought to determine the reason the Studley Park Quarry was viewed as a possible revenue stream. Mr. Sandy advised that it has the potential to be a foreign exchange earner. However, the construction of an industrial port at the site to enable barges to transport material to and from Tobago was a challenge.
    - c. The Committee enquired whether there were planned projects that can earn foreign exchange. Mr. Sandy indicated that there are no projects at this time, but suggested that foreign exchange can be earned in two ways (1) the reduction of the foreign exchange outflow and (2) the tourism industry.

iii. **Outstanding reports of the Auditor General**

- a. The Chief Administrator was asked to account for absence of reports of the Auditor General on the THA since 2007. The Chief Administrator informed the Committee that he cannot provide a reason for the Auditor General's failure to provide the Reports. He indicated that the THA has submitted its financial statements up to the year 2013 to the Auditor General. The outstanding financial statements for the year 2014 will be available in two weeks and 2015 statements in six weeks.
- b. The Committee enquired whether the THA was pleased with the Report by the Auditor General on its accounts. Mr. Sandy indicated they were not pleased because the Auditor General stated that he was unable to form an opinion because a number of documents were not presented for audit scrutiny at the time it was requested. Recommendations were made for improvements but they were only notified of the errors related to the audit of the 2007 accounts in 2012. As a consequence, the THA anticipates that the Auditor General's Reports on the THA for 2008 to 2012 would also contain adverse comments on the availability of records.

iv. **Value for money in the operations of the THA**

- a. The Chairman noted that there were increases in the national budgetary allocation to the THA from the year 2012 to present and sought to determine whether Tobagonians have benefitted from this increase. Mr. Sandy explained that based on the ruling of the Dispute Resolution Commission, the THA is entitled to 4.03 % to 6.9 % of the national budget, therefore if the national budget increases, so would the THA's allocation.
- b. However, the THA receives the minimum value which is 4.03%, this figure is inadequate to encourage the type of development that Tobago requires. The increase in the allocation does benefit Tobagonians, but there are many challenges that impact development such as: brain drain, a higher cost of living relative to Trinidad; cost of materials; and the small market size which leads to a slow turnover rate.

v. **Expenditure on eradicating the Sargassum Seaweed**

The Chairman enquired whether the THA used funds from a "Disaster Fund" to assist in the eradication of the seaweed. The Director of Finance explained that for this purpose, funds were derived from the Contingency Fund, which is to be used for unforeseen circumstances based on the directive of the Executive Council.

7.4 The Chairman thanked the officials of the Division of Finance and Enterprise Development for their attendance and invited the Chief Administrator, Mr. Sandy to remain at the witness table. The meeting was suspended to facilitate their exit and the entrance of officials of the Divisions of Tourism and Transportation, Infrastructure & Public Utilities and PTSC.

7.5 The Chairman welcomed the officials of the Division of Tourism and Transportation and introductions were exchanged.

**Discussions with officials of the Division of Tourism & Transportation, Infrastructure and Public Utilities, Public Transport Service Corporation (PTSC)**

**Opening Statement**

7.6 The Chairman invited the Administrator, Ms. Cheryl-Ann Solomon to make a brief opening statement. She stated that tourism is not just the Division but it involves all Tobagonians and those who visit the island.

7.7 The following issues were raised during the discussions:

**i. Direct Marketing to the Trinidad Tourist Market**

- a. The Director of Tourism indicated that the Division has targeted a certain aspect of the Trinidad market by hosting a 'Road Show' in certain areas to promote Tobago's tourism products.
- b. The Director informed the Committee that statistics on domestic arrivals also include regional arrivals since these two categories of tourist are not differentiated because there are no direct regional flights to Tobago. All regional flights go to Trinidad.
- c. The Committee suggested that a data collection system should be developed to record the number of regional visitors entering Tobago, even when they arrived via Trinidad, as this would assist in data driven policy formulation.
- d. The Committee proposed that information on a passenger's country of origin can be recorded at the time the passenger purchases his ticket, rather than at the point of entry.

**ii. The operations of the Air Bridge between Trinidad and Tobago**

- a. The Chairman enquired whether the THA was satisfied with the air transportation service between both islands. The Transportation Coordinator, Mr. Henry informed the committee that during the off-peak period, the service is satisfactory. However, challenges arise during the peak hours/periods. These peak periods include: Friday evenings departing Trinidad for Tobago and on Sunday evening departing Tobago for Trinidad; Easter holidays; July /August period and Tobago Jazz Festival. Recently the THA, Caribbean Airlines and its stakeholders have developed a "heat Map" which identifies the peak periods in order to determine the number of planes that are required during these hectic periods.
- b. The Chairman enquired whether the THA or the Government considered contracting the service of a private airline as an alternative air transport provider. Mr. Henry advised that a decision on such a proposal is a matter for Central Government not the THA. Notwithstanding, he did recall an occasion when the THA contracted a private airline during the July / August period to alleviate a lot of congestion on the air bridge.
- c. Mr. Henry also suggested that the current arrangement is not a dedicated airline facilitating travel between both islands. He contended that while there may be issues with



the aircraft that cause flight delays, similar aircraft are honoring flights to other regional destinations instead of filling the domestic flight shortage.

- d. The Chairman took the opportunity to highlight the challenges a differently-abled person may encounter utilizing the domestic air transportation service. He also lamented the inadequate number of hotel rooms/facilities available to accommodate the differently-abled. He suggested that this is an area that the THA should examine with a view to encouraging the differently-able to visit Tobago.

**iii. Tobago's Tourism Market?**

- a. The Director of Tourism informed the Committee that Tobago is marketed as a festival tourism product. Tobago offers a different product option unlike the other Caribbean islands that offer sand, sun and sea. The festivals such as Blue Food and Heritage Festivals attract the largest number of visitors to Tobago. In the modern tourism industry, you have to create a different experience in order to be distinguished from the other countries. The Director suggested that Tobago's tourism industry has developed mainly as a result of its food and cultural heritage promotions. Other festivals that attract visitors to the island are the Jazz Festival and Dragon Boat Racing.
- b. The Director informed the Committee that based on the vision of the Division for Tobago's tourism industry, the type of market that is being targeted is the luxury market. The DOTT believes that the island will be able to penetrate the luxury market because of the different tourism product offered by Tobago.

**iv. The status of the Manta Lodge and Sanctuary Villa Resort**

The Committee sought to determine the status of the Hotel Room Expansion Project relative to the acquisition of the two Resorts. Ms. Toppin, the Account Manager confirmed that the properties were purchased at a cost of \$32M. The Committee was informed that these properties will add 78 rooms to Tobago's room stock

**v. The budget and profitability of the Tobago Jazz Festival**

The Committee enquired about the budget and profitability of the festival. The Administrator advised that the original budget was \$19M, but due to economic constraints, it was reduced to \$16M. Based on preliminary estimates the festival did not generate a profit and it never has since it commenced 11 years ago. Ms. Solomon indicated that the aim of the festival was to provide opportunities to Tobago's entrepreneurs to improve and develop and to attract tourists to explore and experience the island's culture.

**vi. A Tobago Marina**

The Committee enquired whether the DOTT considered developing a marina or a haul-out facility for Tobago in order to minimise the damage to the equipment of the fisherman; boats owners and yachters. In response, the Chief Administrator advised that the construction of a Marina is considered as one of the important Government projects geared towards Tobago's development and the development of its tourism industry. The matter is not on the agenda of DOTT but rather it's being pursued by the THA. Surveys are being conducted to determine an ideal location for the marina.

**vii. Land Ownership by Foreigners in Tobago**

The Committee sought to ascertain whether the 2007 legislation that prohibits a foreigner from owning land in Tobago without a licence, impacted negatively on its foreign direct investment. Mr. Sandy advised that he does not have any evidence to confirm what impact the law has had and that the policy is being reviewed by the THA. The legislation was passed to prevent land prices from increasing, during that period the average Tobagonian was unable to purchase land because the prices were exorbitantly high. The process for foreigners to acquire the licence is mainly the responsibility of the Ministry of Trade and Industry and not the THA.

**viii. The Marketing Initiatives of the DOTT**

The Committee asked the Director of Tourism to identify the marketing initiatives adopted which led to an increase in tourist arrivals. The initiatives were:

- f. Dedicated advertising programmes that highlighted a highly differentiated product and the uniqueness of the destination;
- g. The use of social media online and offline trade activities;
- h. Store operator and travel agency training;
- i. Leveraging the popularity of world renowned opinion leaders from Tobago as tourist ambassadors; and
- j. The hiring of Promotional Analysts to provide marketing intelligence to provide information that would allow the DOTT to penetrate existing markets and gain insight into new destinations.

**ix. The decrease in tourist arrivals in Tobago relative to other Caribbean destinations**

The Committee highlighted the fact that the number of tourist arrivals had declined from 88, 200 persons in 2005 to 22, 435 in 2015 despite the fact that other Caribbean territories experienced an increase. The Director of Tourism indicate that this aggregate decline was attributed to the following reasons: (1) the airlift to the island was not readily accessible (2) the introduction of the passenger tax severely affected the long haul travel as it increased the airfare cost making travel to Tobago prohibitive.

**x. The Public Transportation System in Tobago**

- a. PTSC's fleet in Tobago comprise 45 buses, but only 14 are operational at present, this number tends to fluctuate because the fleet is aged. Therefore the service is unpredictable and inadequate to meet the requirements of Tobagonians. PTSC's resources are stretched even further when the DOTT request buses to transport tourists from cruise ships.
- b. PTSC has an engineering department that comprise 10 mechanics who are required to conduct repair and maintenance work on the buses. However, challenges with acquiring spare parts has hindered the servicing of the defective buses. It was report that it make take up to 6 months for a spare part to arrive.
- c. The Committee enquired whether any measures have been implemented to address the situation. In response, the Chief Administrator advised that the THA intended to source

50 Brazilian buses, but due to financial constraints this plan was placed on hold. The Committee suggested that the THA review the purchase agreement and make the necessary provisions to purchase the buses incrementally as opposed to a single purchase.

- d. The Committee enquired whether any of the buses were outfitted to accommodate persons with disabilities. The Committee was advised ELDAMO buses were purchased specifically for persons with disabilities and not for the general public.

**xi. Infrastructural Issues on Little Tobago / Bird of Paradise Island**

- a. The Committee enquired about the infrastructural challenges confronting this tourist attraction. The Committee was advised that the jetty has been under repair for some time which is a deterrent to many people because the dock is not safe. There are issues with many of the jetties in Tobago because of the exorbitant costs associated with conducting repairs and upgrades. These costs include: the acquisition of cranes and barges cost millions of dollars. The material and labour are not readily available in Tobago and they have to be sourced from Trinidad. The Committee suggested that the THA should consider Public-Private Partnerships (PPP) as a solution for raising the finances required to undertake such projects. The THA indicated that it is already considered the PPP approach as an option for other developmental projects such as a port at Studley Park Quarry.
- b. The Committee also highlighted the fact that if the infrastructural issues on Little Tobago are fixed, it would increase its potential as a major tourist site for bird watchers. It was noted that in the US alone, 10s of millions of bird watchers converge on a single location.

**xii. Travel Advisories**

A question was asked on the type of branding and promotion used to counter the negative publicity the island is subjected to such as travel advisories. The THA contended that although the advisories are directly related to the high crime rate in Trinidad, the advisories refer to both islands. The THA recognised the fact that in every developing tourist industry crime exists. In response to this, the THA has introduced the Tourism Police Unit that conducts patrols on bicycles.

**xiii. Rating/classification of Tobago Hotels**

The Committee inquired about the number of hotels that cater to luxury tourist and was advised by the Director of Tourism that Tobago hotels are reluctant to subscribe to international hotel rating standards. Tobago hotels ascribe to self-imposed ratings. The Director advised that a policy framework needs to be developed to force all Tobago hoteliers, the majority of which are privately owned, to be rated against an international standard. Although the DOTT indicated they work in collaboration with the Tobago Hotel and Tourism Association, a policy directive from the Secretary for the Division is required on this matter.

- 7.8 The Chairman thanked the officials for their attendance. The meeting was suspended for five minutes to facilitate their exit and the entrance of officials of the Division of Agriculture, Marketing and the Environment.

- 7.9 The Chairman welcomed the officials of the Division and introductions were exchanged.
- 7.10 The Chairman invited the Director to make opening comments. Ms. Renwick informed the Committee that due to the country's economic circumstances, the Division has welcomed the renewed focus on the agricultural sector as it would add to the national revenue stream.

7.11 The following issues were raised:

**i. Markets for Tobago's Agricultural Produce**

The Committee enquired whether produce from Tobago is exported. In reply, Mr. Murray, Agricultural Officer II advised that Tobago has not been engaged in exporting its agricultural produce. Most of it is directed towards local consumption. Over the past five years Tobago has supplied livestock to Trinidad including over 5, 000 sheep and other hooved animals. The Tobago market is geared towards food security and supplying the hotels rather than exportation. The main crops that are harvested are vegetables, staples and livestock.

**ii. The Development of Value-Added Products**

The Division highlighted the following initiatives used to encourage the development of the Value-Added Products:

- a. The Label "Taste of Tobago" was created to promote cured meats, fruits and processed fruits;
- b. the Label "Eco Foods" was developed to enhance the value added process for primary products;
- c. Public /Private Partnerships; and
- d. Agro-Park used old estates that are not utilized anymore such as Friendship, to help build the industry.

**iii. The potential for Agro-Tourism Development**

- a. In terms of agro-tourism, the Division was hesitant to engage in this area because it would usually be categorized with eco-tourism. However, the Division has engaged in discussions with the DOTT to identify the type of agro-product the Division should aim to develop in order to attract tourists.
- b. The Division has formed alliances with local farmers to encourage their involvement in the tourism sector. The establishment of a Wild Life Park as a means of boosting nature tourism, is still under discussion.

**iv. The status of the Packaging Facility**

The Committee was informed that the Facility was opened on April 26, 2016. It was established to assist farmers and agro-processors to effectively improve their products and phytosanitary standards.

**v. The Division's plans for expanding the Agricultural Sector**

The Division has used the following initiatives to expand the sector and increase production:

- g. Utilisation of the old unoccupied estates to produce crops with export potential which can be shipped to international markets, e.g. paw-paw and hot peppers;
  - h. Rehabilitation and conservation of old cocoa estates;
  - i. Development of an agro-park using the Jamaican model, this would attract private/public partnerships, as it would encourage business men to be involved thereby creating avenues for trade and growth in the sector;
  - j. Creating synergies with various small farmers to enhance their farming techniques with the use of technology and equipment;
  - k. Collaboration with the Tourism Sector to promote and market the Tobago brand through the "Eco-Foods Label"
- vi. The supply of local agricultural produce to Tobago's Hotel Industry**
- a. The menus offered by the hotels in Tobago do not require much local produce, so there is little demand on the local farmers. Though with the introduction of the "Eco-Foods Label" the Division hope that hotels would begin to use this brand which would eventually assist in the growth of the industry.
  - b. Another initiative by the Division was the establishment of the Tobago Agricultural Cooperative which is a part of the Tobago Agricultural Society. This venture has provided an umbrella body through which the hotels on the island interested in sourcing produce can contact one entity, rather than having to contact a number of different farmers.
- vii. Incentives to encourage the youth in agriculture**
- a. There has been a decline in youth involvement in agriculture over the years, although the Youth Apprenticeship Programme in Agriculture (YAPA) has completed ten cycles to date. The programme has to compete with other social programmes that offer a larger stipend and the young people gravitate towards those programmes. Through the Ministry of Agriculture, Land and Fisheries, the National Incentives Programme has provided new initiatives to encourage more young people to get involved in agriculture through the provision of start-up capital.
  - b. It was suggested that other modern initiatives should be used to generate a greater level of interest among the youth such as a focus on agri-business, new technology that reduces labour intensity and the use of ICT.
- viii. Issues at Goldsborough Farming Facility**
- a. The issues at the Facility are: land tenure, access roads and irrigation. The Committee was informed that these issues are being addressed. The lands in the area are being regularized by the Department of Land Management and this should be completed in one month. When the lands have been clearly demarcated, the farmers will be able to apply for loans from the Agricultural Development Bank (ADB). Land tenure is the main concern for farmers in Tobago because it is related to a person's ability to access credit. However, the ADB has introduced a tenancy waiver to alleviate some of the problems confronted farmers in Tobago.

- b. With respect to road access, two roads were recently completed in the area by the Division of Infrastructure. With regard to irrigation, the Division has commenced work in the area, two excavators were hired to terrace the hillside but the hilly terrain has caused some difficulty.

**ix. Challenges faced by the Division**

The main challenges confronting the Division are:

- a. Human Resource Capital- there are a number of vacant specialist positions that the Service Commission has not filled for over 10 years; and
- b. Financing for projects is inadequate.

**x. The State of the Scarborough Market**

The market has to be fully renovated, which will require the relocation of vendors prior to the commencement of work. A temporary site has been selected and the vendors would be relocated within two months. The assessment and design phase of the project are completed, it is expected to be completed in eight months. The original budgeted cost of the project was \$40M. This was reduced to \$15.9M, which would facilitate a roof replacement, construction of storage facilities, the repair of dilapidated shacks, and improve air-flow and air-conditioning.

7.12 There being no further questions, the Chairman then invited the Chief Administrator to make closing comments.

7.13 The Chairman thanked the officials of the THA for their attendance and the Clerk of the Assembly, the Facilities Manager and others for their assistance.

**REQUEST FOR ADDITIONAL INFORMATION**

8.1 Based on the Committee's deliberations, the THA was requested to provide the following additional information:

- i. an annual breakdown of the unspent balances of the THA for the period 2001 to 2015;
- ii. The amount of money the THA has expended thus far on efforts to eradicate the Sargassum Seaweed;
- iii. With regard to the Tobago Jazz Festival 2016;
  - a. How much money did the Division of Tourism and Transportation allocate to this event?
  - b. How much was actually spent or committed?
  - c. How much revenue was generated?

**ADJOURNMENT**

9.1 The Chairman thanked all present and adjourned the meeting.

9.2 The meeting was adjourned at 1:13 p.m.

I certify that the Minutes are true and correct.

Chairman

Secretary

*May 23, 2016*

**Minutes of the 7<sup>th</sup> Meeting of the Joint Select Committee appointed to inquire into and report on Local Authorities, Service Commissions, Statutory Authorities (including the THA) held in the Arnold Thomasos Room (East) LEVEL 6 and the J. Hamilton Maurice Room, Mezzanine Floor, Office of the Parliament, Tower D, 1A Wrightson Road, Port of Spain held on Friday June 03, 2016**

**PRESENT**

**Members**

|                        |                  |
|------------------------|------------------|
| Mr. H. R. Ian Roach    | Chairman         |
| Ms. Ramona Ramdial, MP | Vice-Chairman    |
| Mr. Daniel Solomon     | Member           |
| Mr. Darryl Smith, MP   | Member           |
| Mr. Nigel De Freitas   | Member           |
| Mr. Faris Al-Rawi, MP  | Member (Excused) |

**Secretariat**

|                     |                     |
|---------------------|---------------------|
| Mr. Julien Ogilvie  | Secretary           |
| Ms. Khisha Peterkin | Assistant Secretary |
| Mr. Desell Austin   | Research Assistant  |

**ABSENT**

|                               |                  |
|-------------------------------|------------------|
| Mrs. Jennifer Baptiste-Primus | Member (Excused) |
| Mr. Stuart Young, MP          | Member (Excused) |

**Also present were:**

**THE OFFICIALS FROM THE TOBAGO HOUSE OF ASSEMBLY (THA)**

|                |                     |
|----------------|---------------------|
| Mr. Raye Sandy | Chief Administrator |
|----------------|---------------------|

**Division of Tourism and Transportation**

|                            |                            |
|----------------------------|----------------------------|
| Ms. Cheryl-Ann Solomon     | Administrator              |
| Ms. Frederica Brooks-Adams | Director of Tourism        |
| Mr. Samuel Henry           | Transportation Coordinator |
| Ms. Gwen Toppin            | Management Accountant      |
| Ms. Deokie Ramnarine       | Senior Research Officer    |



**Division of Infrastructure & Public Utilities**

|                       |                              |
|-----------------------|------------------------------|
| Mr. Wendell Berkley   | Chairman, Heritage Committee |
| Ms. Glenda Rose Layne | Coordinator - Culture        |

**Division of Infrastructure & Public Utilities**

|                           |   |
|---------------------------|---|
| Mrs. Wendy Guy- Hernandez | Administrator                               |
| Mr. Henry Cook            | Assistant Deputy General Manager-Operations |

**THE OFFICIALS FROM THE TOBAGO HOTEL AND TOURISM ASSOCIATION (THTA)**

|                         |                        |
|-------------------------|------------------------|
| Mr. Chris James         | President              |
| Mrs. C. Birchwood-James | Vice-President         |
| Mr. Carlos Dillon       | Honorary Director      |
| Ms. Kaye Trotman        | Associate Member       |
| Mrs. Shirley Cooke      | Secretary to the Board |

**COMMENCEMENT**

- 1.3 The Chairman called the meeting to order at 9:36 am (*in camera*) and welcomed those present.
- 1.4 The Chairman indicated that due to unforeseen circumstances the meeting that was scheduled for Wednesday May 25th in Tobago was rescheduled to today.
- 1.5 The Chairman provided Members with a synopsis of interviews he participated in with Tobago Channel 5 / Radio Tambrin.
- 1.6 The Chairman informed Members that both Mrs. Jennifer Baptiste-Primus and Mr. Young requested to be excused from the meeting.

**CONSIDERATION OF THE MINUTES OF THE 6<sup>th</sup> MEETING HELD ON APRIL 27, 2016**

- 2.1 The Chairman asked Members to examine, page by page, the Minutes of the Meeting held on Wednesday April 27, 2016.
- 2.2 There being no corrections or omissions, the Minutes were confirmed on a motion moved by Mr. De Freitas and seconded by Ms. Ramdial.

**MATTERS ARISING FROM THE MINUTES**

- 3.1 The Chairman referred the Committee to the following paragraphs of the Minutes:
  - Item 3.1, pages 2 and 3: In reference to the Inquiry Proposal on the SWRHA, the document was reviewed by the Chairman and in the interest of time and efficiency,

the questions contained were forwarded to the SWRHA for a response. As such, by letter dated June 01, 2016 the questions were communicated to the CEO of the SWRHA; and

- **Item 8.1, page 14:** The initial request for “Additional Information from the THA” was received on May 13, 2016. Another request was made based on questions received from a member of the Committee. The THA was asked to provide the requested information by May 23, 2016, however the responses were only received on Thursday June 02, 2016 at 4:00 pm.

#### **PRE-HEARING DISCUSSIONS, RE: THE TOBAGO HOUSE OF ASSEMBLY (THA)**

- 4.1 The Chairman informed the Committee that officials from the THA and the Tobago Hotel and Tourism Association were expected to be present at the hearing. The list of witnesses was circulated to Members for their information.
- 4.2 The Chairman alerted members that additional information from the THA, submissions from stakeholders in Tobago’s tourism industry, and an Issues Paper were circulated.
- 4.3 The Chairman reminded members that discussions during the hearing would focus on the state of the Tobago’s tourism sector and inter-island transportation.
- 4.4 The Chairman invited Members to discuss the approach to be adopted during the public hearing. Ms. Ramdial suggested that the Committee should seek clarification on comments made by the Chief Administrator, THA (Mr. Raye Sandy) with regard to the THA’s submission of their Annual Audited Financial Statements for the years 2007 to 2013. After further discussion on the matter, the Committee agreed to allow Ms. Ramdial to commence the questioning period on this matter.

#### **OTHER BUSINESS**

- 5.1 The Chairman advised that the next meeting of the Committee will be held on Wednesday June 22, 2016, to examine the officials of the SWRHA.
- 5.2 In response, Mr. Solomon proposed that the Committee conduct an inquiry into the Strategic Services Agency (SSA).
- 5.3 The Committee discussed the matter and it was determined the Committee will pursue an inquiry into the SSA following its inquiry into the operations of the SWRHA. The Committee also requested that a written notice of the proposed inquiry be sent to the SSA to provide them with adequate time to prepare for the examination.
- 5.4 There being no further business for discussion the Chairman suspended the in camera, meeting at 10:00 a.m.

**PUBLIC HEARING WITH OFFICIALS OF THE TOBAGO HOUSE OF ASSEMBLY (THA)**

- 6.1 The Chairman reconvened the public meeting at 10:13 a.m.
- 6.2 Introductions were made.
- 6.3 The Chairman highlighted the tardiness of the responses from the THA. He stressed that the request was made via letter dated May 09, 2016 but the responses were received the day before the hearing at 4:00 pm. He described the adverse impact the late submission had on the Committee's ability to properly prepare for the meeting.

**Discussions with the Chief Administrator and officials of the Division of Tourism & Transportation and Infrastructure and Public Utilities**

- 7.1 The Chairman noted that the committee received written submissions from the following stakeholders:
- Caribbean Airlines Limited (CAL);
  - Port Authority of TT;
  - Public Transportation Service Corporation (PTSC);
  - Tobago Hotel and Tourism Association; and
  - Tobago Chamber of Commerce

**Opening Statement**

- 7.2 The Chairman invited the Chief Administrator, Mr. Raye Sandy to make a brief opening statement. Mr. Sandy apologized to the Committee for the late submission of the THA's responses. He explained that the delay was due to the challenges the Division encountered in collating certain information.
- 7.3 The following issues arose from the discussions held with the THA officials:

- vi. **Statements made by the Chief Administrator regarding the Submission of the Auditor General Reports of the THA**
- a. The Committee sought clarification on information it received from the AG's Office that the THA's 2012 financial statements were received but were subsequently recalled by the THA to make adjustments and to date they have not been re-submitted. The Committee was also informed that the financial statements submitted for the years 2013 and 2014 were photocopied documents, but original documentation was required for an audit.
  - b. Mr. Sandy attempted to clarify the issues surrounding the submission of the THA's financial statements to the Auditor General's Office. He advised the Committee of the following:

- the 2012 and 2014 financial statements are awaiting the signature of the Chief Administrator before they can be submitted to the AG;
- there was an error in the 2013 statements, and as a result it was returned to the THA and was subsequently re-submitted to the AG Department on November 14, 2014; and
- the 2015 statements will be submitted within two weeks.

vii. **The Items of Expenditure under Current Transfers and Subsidiaries for fiscal 2016**

The Management Accountant, Ms. Toppin advised the Committee that the main items of expenditure under Current Transfers and Subsidiaries were the:

- a. Airlift
- b. Financial Assistance
- c. Subventions to the Tobago Hotel and Tourism Institute (THTI); and the
- d. Tourism Festivals including the Jazz Festival and the Dragon Boat Festival

iii. **The Rating/Classification of Tobago Hotels**

The Committee sought to determine why hotel ratings are determined by Tour Operators rather than the THA. The Administrator for Tourism informed the Committee that the information received by DOTT suggests that there are no international standards to rate hotels and indicated that the DOTT has to conduct further research to provide an accurate response.

iv. **The Promotion of Tobago as a Tourist Destination**

- a. The Committee enquired about the \$151, 635,123 spent on the promotion of Tobago. The Director of Tourism advised that this money was spent on onshore and offshore marketing, for example; road shows, training, career fairs, awareness, engaging new marketing initiatives and the marketing of Tobago as a destination.
- b. In response to a question on the Division's level of satisfaction with Tobago's international recognition compared to other Caribbean destinations. The Director indicated that they were satisfied but there is room for further development which can be realized through an increase in financial resources. The increase would provide sustained marketing, increased airlift support and enhance the island's product. The tourism marketing budget for Tobago is significantly lower than other Caribbean destinations, for example in 2013 Barbados spent \$US94.4M; St. Lucia spent \$US50M in 2009 whereas in 2009/2010 Tobago spent \$US1.39M.
- c. The Committee recognized the efforts of the DOTT in marketing destination Tobago noted that the island was featured on CNN for its blue food and its

beaches. Tobago's beaches were identified as among the best beaches in the Caribbean.

v. **Renovation of the A.N.R. Robinson Airport**

The Committee requested an update from the THA on the renovation of the airport. The Transportation Coordinator, Mr. Henry informed the Committee that based on the complaints received from various international airlines regarding the standard of the infrastructure at the airport, the THA has held discussions with the Airports Authority (AA). The AA is in the process of constructing a VIP Lounge at the airport.

vi. **The Direct Flights to Tobago**

The Transportation Coordinator indicated that there are direct international flights to Tobago from the UK, Germany and New York.

vii. **A Comprehensive Plan for Sport Tourism**

The Committee enquired whether the THA has a comprehensive plan for Sport Tourism, in light of the on-going discussions with the Ministry of Sport and the various sporting activities hosted in Tobago. Mr. Henry advised Members that DOTI has a Sport Tourism Committee that is working on the policy. The various sporting activities have attracted a number of visitors from the UK.

viii. **The Heat Map for dealing with passenger traffic on the air bridge**

a. The Committee enquired whether the Heat Map has addressed the issue of limited flights on the air bridge during peak periods. Mr. Henry indicated that the mapping process has not been effective because people still have issues in booking flights for peak periods. He proposed that there should be a policy that states CAL has to adhere to the Heat Map and provide the requisite number of planes and flights to accommodate passengers.

b. The Chairman referred to a section of CAL's submission that pronounced on this matter and questioned the THA's position on the reason for the challenges with the airbridge. In response, the Committee was advised that a policy document is being prepared to be submitted to the Executive Council for approval. Thereafter, the document will be submitted to CAL and Central Government for consideration. The document would recommend that the air bridge be made an Essential Service and delinked from the general operations of CAL.

ix. **The Feasibility of the Tobago Jazz Experience**

a. The Committee questioned the feasibility of the Tobago Jazz Experience because of the shortfall in revenue compared to expenditure during the period 2011 to 2016

(\$48, 127, 532.09). Mr. Henry indicated that the Tobago Jazz Experience should be viewed in a holistic manner because over the years it has involved a number of rural communities, such as Speyside, whereas the CLICO Jazz Festival was only concentrated in Plymouth. He contended that there were a number of indirect and unquantifiable gains from the festival. These benefits are earned by vendors, taxi drivers and in some cases the community as a whole. For example, there are jazz concerts around the island in areas such as Castara where 20 to 30 vendors were able to benefit from sales.

- b. The Committee continued to probe the officials to ascertain if any efforts were being made to ensure that the Festival is more profitable in the future. Mr. Henry informed the Committee that there are plans to generate more revenue from the festival. However, there is a dilemma, since in order to attract the more popular artistes, more money has to be expended. When less money is spent on the artistes there is a consequential reduction in public interest and patrons.
- c. Notwithstanding, the Committee reiterated that it is the THA's responsibility to market the event efficiently to ensure losses are minimal.

x. **Hotel / Guest Room Occupancy for the year 2015**

- a. The room occupancy for hotels was between 35 to 40% for 2015. The hotels usually have a higher occupancy rate than guest houses. The average nightly hotel rate was \$1, 086 (\$167 US) per night and \$344 (\$54) for guesthouses. When compared to the region, Tobago's room occupancy for 2015 was about 30% less, since the average in the region was about 68.8% at a nightly rate of \$299US.
- b. The committee sought to determine the reason(s) for the low room occupancy in Tobago in comparison to the region. The main reason highlighted was that Tobago does not have a recognisable international hotel chain. The Committee questioned whether one of the THA's main objectives was to attract and encourage international hotel brands. In response, Mr. Henry advised that there are certain matters that are outside of the THA's remit such as foreign investment and the offering of incentives to investors. Therefore, the central government must play a role in making the investment climate in the tourism industry more attractive.
- c. The THA was asked to highlight some of the challenges that affect the industry that should be addressed by Central Government. Those highlighted were the upgrade of the airport; and improvements in port facilities to accommodate the docking of cruise ships.

xi. **The Comprehensive Economic Development Plan for Tobago (2013-2017)**

- a. The THA was asked whether this plan was being used to develop and improve the tourism industry. Mr. Sandy advised that although the Plan does guide the operations of the THA, he was unable to inform the Committee if any of the proposed plans were implemented. The Chief Administrator indicated that the Plan is the ideal situation but without all of the necessary resources it is difficult to attain all of the objectives of the Plan.
- b. The Chairman questioned the timeframe for the implementation of the various tourism projects of the THA. The Chief Administrator advised that with the newly established Committee on tourism headed by the Prime Minister and the discussion on many projects will be re-opened with a national development agenda in mind.

xii. **The Main Issue(s) affecting Tobago Hoteliers**

- a. The Director of Tourism stated the main issue affecting hoteliers in Tobago is TTTIC Registration of Tobago Properties. The application of standards in this regard is being done through the Trinidad and Tobago Bureau of Standards and the TTTIC. To be registered, an audit fee is required, the THA has sought advice to determine who would have to pay the fee. However, in the interim the THA has provided advisory visits to the property owners free of charge.
- b. It should be noted that although the THA has provided “advisory visits” to hoteliers, over the past four years “no accommodation providers have been approved, inspected or registered” because issues with the TTTIC Programme and the Division have to be clarified. This has had a negative impact on the industry because there is no specified standard or regulatory framework. However, this matter should be addressed when the national policy on tourism product development is completed.

xiii. **The Clarification of certain issues raised with regards to the THA and Central Government**

Mr. Al-Rawi in his capacity as Attorney General and member of Cabinet informed that the following matters have been the subject of executive consideration/action:

- a. the Cabinet appointed Committee with direct responsibility for improving Tobago’s tourism industry;
- b. improving Tobago’s electricity and water services;
- c. the airlift between Trinidad and Tobago;

- d. the issue of Land licencing is being addressed by the Office of the Attorney General;
- e. the proposals for the development of four marinas and policy formulation by the Ministry of Trade and Industry.

xiv. **Is Tobago a 'tired' destination?**

The Chairman sought to ascertain whether the suggestion made by stakeholders that Tobago was a "tired destination" was accurate. The Chief Administrator resolved that due to the fact that Tobago has failed to attract new incentives for direct foreign investment, it would have to be considered true.

xv. **Customer Service at Hotels and Guest Houses in Tobago**

a. The THA was asked to rate the level of customer service provided in Tobago. In response, Ms. Ramnarine described it as poor, based on feedback from surveys conducted throughout Tobago. The Committee enquired about the impact the poor standard of service has had on the industry and whether anything was done to address the matter. The Director of Tourism advised that the following measures were pursued to treat with the situation:

- a Roving Caravan to create awareness and benefits of tourism and the need for improved customer service;
- promotion via electronic media and in the communities "*On How Tourism Impacts Lives*"; and
- the Small Tourism Enterprise Programme has trained small business operators in customer service.

b. Although the DOTT has undertaken these initiatives to improve customer service in Tobago, for customer service to be improved, stakeholders also have to be involved and provide training for their employees.

xvi. **The Sea Bridge**

The Committee was informed that the *TT Spirit*, one of the inter-island ferries would be dry-docked during the period June 01 to July 01, 2016 in order to be refurbished. The Port Authority advised the THA that during this period, the number of sailings of the *TT Express* will be increased to fill the void. It was also noted that if necessary one of the Water Taxi vessels will be used.

xvii. **Tourism Projects - Manta Lodge and Sanctuary Villa Resort**

a. The Committee sought to determine the status of the acquisition of the two Resorts. The Accountant Manger confirmed that the properties were purchased at a cost of \$32M and \$68M is required to complete the renovations of the two hotels. EIDCOT was contracted to refurbish the hotels.



- b. The Committee was informed that these properties will add approximately 80 rooms to Tobago's room stock. The THA expects to attract an international brand manager such as the Hyatt and Hilton to invest in the hotels.
- 7.4 The Chairman thanked Mr. Raye Sandy and the officials of the Divisions of Tourism & Transportation and Infrastructure & Public Utilities for their contributions and attendance.
- 7.5 The meeting was suspended to facilitate the exchange of officials at the witness table.
- 7.6 The Chairman welcomed the officials of the Tobago Hotel and Tourism Association, thanked them for their submission and introductions were exchanged.

### **Discussions with officials of the Tobago Hotel and Tourism Association**

#### **Opening Statement**

- 7.7 The Chairman invited an official of the Association to make a brief opening statement. The Vice-President provided an overview of the Association and its membership. She also indicated that the THTA acknowledged the meeting provide an avenue for collaboration between the public and private sector to in order to improve the tourism sector in Tobago.

- 7.8 The following issues were raised during the discussions:

#### **i. Marketing Strategies to Encourage Foreign Direct Investment**

- a. The Committee requested the officials to explain the THTA's three-year Kick-Start Plan. The President, Mr. James informed the Committee that Tobago lost its credibility with foreign investors when the Act was passed in 2007 that required foreigners to acquire a land licence to own land in Tobago. This caused work on twelve projects on the island to stop. Since then the occupancy rate in hotels has declined from 88, 200 to 22, 234 as such, investment in Tobago was not seen as viable.

- b. In the short term the following should be done:

- Improve investment incentives to become competitive with the rest of the region;
- Provision should be made to increase the hotel room stock from 1, 000 tour operator quality rooms to 2,500 to attract year- round tourism;
- Increase the number of flights of each airline to two per week from each destination

#### **xiv. The Hotel Rating System**

- a. The President sought to clarify the issue with the rating of hotels. He informed the Committee that there is no international standard because the American

and Europeans use different systems. Tobago hotels are rated by the tour operators that use the hotels and provide a star rating, for example Virgin has its own rating system that suits their clientele. There are only 1, 000 tour operator quality rooms in Tobago, the Refurbishment Programme was intended to assist in this effort but it has proved to be difficult.

b. There have been three different attempts to assist hoteliers in improving accommodation:

- one was managed by the Tourism Development Corporation (TDC) that provided 25% rebate up to \$60, 000 per room for room refurbishments. This incentive was initially only available in Trinidad and due to the decline in the industry the owners could afford to undertake refurbishments.
- The second was a \$250M fund set up by the Government to finance '50 rooms and under' projects up to maximum of 51%. However based on the business plan of most hotels, the banks did not grant any loans because of the poor performance of the industry.
- The third plan was a private sector initiative that never commenced.

**xv. Issues that affect the Tobago's marketing Strategy**

The main issues are:

- e. The lack of funding to market Tobago as a tourist destination;
- f. The timeliness in the release of funds and the uncertainty in the amount that will be approved;
- g. Room upgrades have to done in relation to the marketing of the island which is also linked to issues with land licences for both large and small property owners;
- h. The lack of advanced advertising and promotion of Festivals on the island. For example the Tobago Jazz Experience should be advertised 12 months in advance to encourage international visitors and not only locals

Other issues affecting the tourism industry which were identified by THTA include:

- Land licences for foreign investors;
- Regulation of property ownership;
- verifying Land titles;
- Reluctance of persons to work in the tourism industry because the salary of other Government sponsored employment is more attractive/competitive;

- The absence of an Airlift Committee for the last five years;
- Lack of Private Sector involvement in various aspects of the industry;
- The dysfunctional relationship between the private sector, the Ministry of Tourism and the THA;
- There are no direct, non-stop international flights to Tobago;
- The lack of priority place on the renovation of the airport.

7.9 The Chairman thanked the officials of the THTA for their attendance and contribution.

#### **REQUEST FOR ADDITIONAL INFORMATION**

8.1 Based on the Committee's deliberations, the THTA was requested to provide the following additional information:

1. a copy of the ARA Document that was compiled by the Vision 20/20 sub-committee on tourism.

#### **ADJOURNMENT**

9.1 The Chairman thanked all present and adjourned the meeting.

9.2 The meeting was adjourned at 12:58 p.m.

I certify that the Minutes are true and correct.

Chairman

Secretary

*June 15, 2016*

# Appendix II

# Verbatim Notes

VERBATIM NOTES OF THE 4TH MEETING OF THE JOINT SELECT COMMITTEE APPOINTED TO ENQUIRE INTO AND REPORT ON LOCAL AUTHORITIES, SERVICE COMMISSIONS AND STATUTORY AUTHORITIES (INCLUDING THE THA) HELD IN VICTOR E. BRUCE FINANCIAL COMPLEX, #6-10 POST OFFICE STREET, SCARBOROUGH TOBAGO ON WEDNESDAY, APRIL 27, 2016 AT 9.30 A.M.

OFFICIALS OF THE DIVISION OF FINANCE  
AND ENTERPRISE DEVELOPMENT

|                           |                          |
|---------------------------|--------------------------|
| Mrs. Petal-Ann Roberts    | Senior Financial Analyst |
| Ms. Jacqueline Job        | Administrator            |
| Ms. Esther Pilgrim-Soanes | Director of Finance      |
| Ms. Shelly Trim           | Budget Analyst IV        |
| Mr. Raye Sandy            | Chief Administrator      |

**Mr. Chairman:** Good morning, ladies and gentlemen. Welcome to the Sixth Meeting of the Joint Select Committee on Local Authorities, Service Commissions and Statutory Authorities (Including the Tobago House of Assembly). As you know, there are several parliamentary Committees. We are one of them, which is mandated by Section 66A of the Constitution, and the Standing Orders of the Houses, which are empowered to investigate, enquire into, report on all matters relating to the mandate, management, activities, administration, and operations of the assigned Ministries, Department or Bodies, including the THA.

So, this hearing here, is to inform people that have us here, on the business of how it was conducted, how it is being conducted. I guess we are all here, whether members of the public or us here as members of this Committee, on one common purpose, which is for the development and the prosperity, and the further advancement of our society. In this instance, the focus is on Tobago, being administered by the Tobago House of Assembly.

So I would like to welcome you. I will like you to know that I think it is necessary that this not an inquisition. So no one needs to be anxious or fearful of any prosecution, because the witnesses here are all protected and enjoy the same protection as members of the Committee, which is parliamentary privilege. As far as the Committee is concerned, as far as we sit as a precinct of Parliament.

However, having said that, if you were to say anything outside of this, that may be contentious, defamatory in any way, you are on your own, okay? So during the precincts here, we expect you be honest, to be truthful and also be respectful to other person's rights, okay? Outside of that you enjoy the same privileges as we do.

I do not know if all witnesses who are here, would have also been briefed, that you are entitled to have advisors, but they are not able to participate directly engaging us in any of our concerns and our questions, but they can advise you on the side, so to speak, okay?

My name is Hugh Russell Ian Roach. I am the Chairman of this Joint Select Committee, one I am privileged to Chair, which is one of the many Committees I told you that is mandated by the Parliament to enquire into the affairs. Members, other members, I would like them to introduce themselves, starting with the, Vice-Chair, which is –

[Introductions]

**Mr. Smith:** Again, I just want to thank the Parliament for pulling this together on this historic moment. The warm welcome we have had so far from the THA and the people who met us at the airport; so thank

you all.

**Mr. Chairman:** I will now invite the members, the witnesses to introduce themselves to the Committee, and to the public.

[Introductions]

**Mr. Sandy:** I also want to take this opportunity to thank Parliament for having the session in Tobago. It truly brings the Government closer to the people of Tobago. I think it is an historic occasion. I cannot recall in my memory, of Parliament actually meeting in Tobago. Normally we are invited down to the parliamentary building. So I really want to thank the Parliament for having the session here, and giving Tobagonians an opportunity to participate in this kind of exchange, thanks.

**Mr. Chairman:** Thank you very much. As you all would have noticed, that this is certainly the first Joint Select Committee of Parliament, being held in Tobago, and certainly since the commencement of the Eleventh Parliament. We do agree with what Mr. Ray Sandy has just said, it is in an effort on our part as Members of Parliament, to bring Parliament to the people, alright? So, it is not just Parliament by the people, for the people, but to have that closer synergy with you all, that we can do a better job in serving you, because we are all your servants, okay? Thank you.

I will not invite – no, before I go on –

[The Chairman confers with the Secretary.]

**Mr. Chairman:** Let me inform the audience that they can send comments, not questions. They can send comments via email at [parll01@ttparliament.org](mailto:parll01@ttparliament.org) or on the Facebook page, at [facebook.com/ttparliament](https://facebook.com/ttparliament), or on Twitter at @ttparliament, okay? So the committee will facilitate comments, not questions, comments. The sequence in which, because of the number of witnesses we have before us this morning, we have 19 witnesses basically, that have agreed to come before us, which we appreciate very much, but we will take them in the sequence. We will deal with Finance first, okay? Tourism and Transport will be taken together, and then lastly, we will have the Agriculture sector, okay?

So, again, welcome to the Tobago House of Assembly. We are pleased to have you, and we hope that this will be a fruitful exercise for all concerned, alright? The objective of this enquiry is first of all, to assess the management of the allocation, the financial allocation to the Tobago House of Assembly. To assess as well the sufficiency of the budget allocation, and how this is being disbursed or being used or challenged to be implemented thus far.

I will invite Mr. Raye Sandy, to make a short opening comment, before we proceed with questioning. We will ask you questions, and we will expect you to answer the questions that are asked, through the Chair, okay? Mr. Raye Sandy?

**Mr. Sandy:** Thank you very much, Chairman. Well, we have put a team together of the senior public officers in the Tobago House of Assembly, to respond to any of the questions that you might have. The team put together, that surrounds me here, are the senior officers in the Division of Finance and Enterprise Development. We are quite ready, willing and able to respond to any of the questions that you might have. You might be aware that the Tobago House of Assembly has a budget cycle, where we present our estimates of expenditure in June of the year, preceeding the year of the expenditure. So, in June of this year, the THA will be presenting its budget. Then we will have the parliamentary budget being done sometime before the beginning of the financial year, usually, sometime in September.

After the parliamentary allocations are known, then the Tobago House of Assembly will do a revised budget, so to speak, because our budget of June will basically be the ideal kind of budget. I would not want to call it a wish list, but it would be the ideal kind of budget that we think is suitable for Tobago. We generally are not allocated the amount of money that we would have requested.

So in September, we do a revised budget based on the Parliament's allocations, and we prioritize our

projects based on the parliamentary allocations, that are assigned to the Tobago House of Assembly. So our programmes and projects are then decided after the national budget is read, and then we go to the Executive Council with a revised programme and that is approved, and that becomes the programme of works for the Tobago House of Assembly for the current year. So I just want to put that on record.

**Mr. Chairman:** Thank you very much, Mr. Sandy. Before we actually embark upon the exchange between ourselves and you, let me just acknowledge that we did receive from the THA, your written submissions on April 22, 2016, and we thank you for it. We also received submissions from Ms. Christlyn Moore, on behalf of the Tobago Forwards. We received this on April 26, of this month, and we also thank her for it. We also received from the Tobago Hotel and Tourism Association on April 26, comments as well, and we thank them for it. We will now invite Mr. Smith to ask you.

**Mr. Smith:** Thank you, Chairman. First of all, let me thank all those who submitted questions and information. I think the THA information that we gathered, we had time to go through it and ventilate it. It was very comprehensive. So thanks for that information.

But based on the information we received from your submission, you indicated the projected monthly release is less than one-third of the amount requested of the Ministry of Finance by the THA. Based on that, can you indicate the value of the monthly releases received from the Ministry of Finance for each of the first three months of 2016, first three months of this first quarter? And also, given the considerable reduction in the rate at which funds are being released by central government, what are the priority areas to which funds will be assigned, or which areas unfortunately, you may have to pull back or deprive at this time?

**Ms. Pilgrim-Soanes:** Members, the amount requested for the third quarter was, \$486,457,600, right? A third of that would have been \$162,152,533.33. The amount received was \$147,076,514, which 30.23 per cent, right? The difference is \$15,076,019.33.

**Mr. Smith:** The second part is as I said, with the slow rate with regard to how the funding is how coming. How are you all going to prioritise with regard to that, and what you all may be slowing down within that, with regard to how you are getting releases?

**Ms. Pilgrim-Soanes:** The amount that is presented to us, seeing that it will affect our planning, we will have to look at the Executive Council to give us some directive, but on the recurrent side, it will affect how we pay our suppliers. It will affect our commitments, and how we move forward, because we are looking at the Act—is saying that section 47 of the Act, if I may quote here, says:

Monies appropriated by Parliament for the service of the financial year of the Assembly, shall be credited to the fund in quarterly releases in advance en bloc.

And now we are getting the money on a monthly basis. So we usually will plan quarterly. So it will affect our planning, and we will have to look at the Executive for directive.

**Mr. Chairman:** Ramona, anybody? Mr. De Freitas?

**Mr. De Freitas:** Good morning again, members. In your submission you indicated, that the Tobago House of Assembly has not determined any new or possible streams of revenue. The question is, is revenue generation an immediate priority for the THA at this time? And what are some of the potential avenues that the THA will be exploring to generate additional revenue outside of tourism?

**10.30 a.m.**

**Mr. Sandy:** Yes, member. The Tobago House of Assembly, certainly, has started looking at areas where revenue or additional revenue can be generated, and we are taking a very serious look at the Studley Park Quarry as a major revenue earner. We are also trying our best to see how we can reduce expenditure in areas where expenditure is not absolutely necessary. So we have looked at areas where we can reduce on expenditure.

You said outside of the tourism sector in terms of revenue generation: the agricultural sector—as you would hear a little later on when the people from agriculture face the Committee—they are looking at areas in which agricultural production can be substantially increased thereby reducing—not only increasing revenue, but also reducing the outflow of foreign exchange through the importation of foodstuff and so on. Within a general sense, we are looking at areas where revenue can be increased.

**Mr. Chairman:** Mr. Sandy, if I can ask, I mean, could you give any more details of the specific areas? And as well, what about sport as an industry, I mean as a financial potential of delivering some of what you are looking for, foreign currency?

**Mr. Sandy:** Yes, we have discussed—and you are right—the whole area of sport tourism as a foreign exchange earner and sport is an industry in a general kind of sense. The major sporting facilities on the island are the Dwight Yorke Stadium, we have tennis courts. We are looking at the construction of an indoor-sport facility. All of those are done in the context of trying to encourage foreign teams domiciling here during their off season so that they can practise and so on, given the favourable weather condition that we would have, and also to encourage more sporting activity generally. So that not only the residents of Tobago would benefit from increased activity, but also we would be able to generate some income from teams visiting the island for particular sporting activities and so on. But sport is just one of the areas. We are looking at it throughout the entire gamut of activities that take place in Tobago, and sport is certainly one of those areas that we have starting taking a look at.

**Mr. Chairman:** So do you have a written sport policy where that is concerned?

**Mr. Sandy:** Not that I am aware of.

**Mr. Chairman:** But is there an intention of formulating a policy that everybody would be on the same page, basically?

**Mr. Sandy:** Yes, there is, and there might very well be a draft policy, but I know that we have started discussion on it, but I cannot say exactly where that is right now, but I know we have started discussions on it.

**Ms. Ramdial:** Thank you very much, Chair. Mr. Sandy, can you for accountability and transparency purposes and as to how the taxpayers' dollars are spent: can you explain why there has been no Auditor General's report of the THA accounts from 2007 to the present time?

**Mr. Sandy:** No, I cannot explain why there is no Auditor General report. What I can tell you is, the Tobago House of Assembly has submitted its financial statements up to the year 2013 to the Auditor General, and it is up to the Auditor General to find the staff to do the audits. The last audit which we defended at the Public Accounts Committee would have been the year 2007. So the Auditor General has the financial statements of the THA up to 2013—2014 will be available in two weeks' time and 2015 in about six weeks' time. So we are very current as far as our submissions to the Auditor General. It is up to the Auditor General to do the audits.

**Ms. Ramdial:** Thank you.

**Mr. Chairman:** Anybody can answer this question, not necessarily Mr. Sandy. I do not want to keep him in the hot seat, so to speak. But I am looking at the financial resources. Between 2012, there is a current trend—there is a consistent trend from 2012 to 2015 as actual, the allocations given to the THA and there has been a constant increase. In 2012 you went to \$1.65 billion; 2013, you went to \$1.98 billion; 2014, you went to \$2.01 billion; 2015, you went to \$2.11 billion and the estimate projection for 2016 is \$2.772 billion. My question is—these are significant increases over the years constantly—is there anyway of assessing whether Tobago is better off as a people with this type of increase in terms of allocation, generally speaking or any areas in particular where you can see the justification for this increase in allocations and increase in development, increase in whatever you have in terms of bettering the lives of Tobagonians?



**Mr. Sandy:** Okay Chair, although you said it was not directed to me, but I would –

**Mr. Chairman:** Okay.

**Mr. Sandy:** As you may be aware, the allocations to the Tobago House of Assembly are determined by an order of the Dispute Resolution Commission where the Assembly should receive between, I believe it is 4.03 per cent and 6.9 per cent of the national budget. Invariably, we get the 4.03 per cent. So any increases, generally, are because there are increases in the national budget and we benefit from that increase. So if the national budget increases, the 4.03 per cent will increase, not the percentage will increase, but the amount that represents 4.03 per cent will increase. So, generally, once there is an increase in the national budget, the allocation for the Tobago House of Assembly will be increased.

I will indicate that any study done will show that the development in Tobago lags behind national development. We have always made the argument in Tobago that we should be given much more than just the minimum that the Dispute Resolution Commission prescribes, because we are basically playing catch-up in Tobago. So to answer your question, yes any increase we get would redound to the benefit of the average citizen resident in Tobago.

Tobago is challenged by a number of factors that contribute to our slow pace of development, not the least being the one brain drain. What I want to say is that sometimes we do not have the human resource capital in Tobago to prosecute the kind of work that we want done in Tobago and often have to import it.

We have challenges in terms of the higher cost of living in Tobago, the cost of materials and so on coming to Tobago. And, generally, the quality of life in Tobago is reasonable, but it can be improved and, certainly, any inputs from the Tobago House of Assembly, meaning input from the Government of Trinidad and Tobago, will lead to that outcome.

There is also a factor in Tobago, in my view, that treats with the issue of development in Tobago and it has to do with the private sector in Tobago. The private sector in Tobago is, in my view, a lil bit risk averse, one reason being that of the market in Tobago. The population of Tobago is about 60,000. The market in Tobago is a relatively small market and, therefore, you do not have the kind of business turnover that you might get, for example, on the mainland Trinidad, if I may put it that way.

So you find that businesses in Tobago to make a profit, generally has to have a slightly higher mark-up if they are to make a reasonable profit than if they were doing business in Trinidad, similarly because of the size of the market. I mean, I am not an economist but, generally, the demand and supply will kind of dictate that. So you will find that the cost of living in Tobago is, in some cases, considerably higher than the cost of living in Trinidad, and that eats up quite a bit of the allocations. When I say “eats up quite a bit of the allocation” it is not that the THA spends on the cost of living but, generally, the people who work for the THA have to expend more of their disposal income on basic necessities and so on, and that speaks to some issues of the quality of life and so on in Tobago.

**Mr. Chairman:** Okay, thank you. Ms. Ramona?

**Ms. Ramdial:** Thank you very much, Chair. Just a follow-up question, Mr Sandy, to my first question. You mentioned that the statements were submitted to the Auditor General’s office. To my knowledge, publicly, the Auditor General’s Office has stated that they encountered some challenges in receiving these statements. Can you tell me when these statements were submitted to Auditor General’s Office?

**Mr. Sandy:** I cannot say when exactly they were submitted, but I know for a fact that the year 2013 was submitted – that is the last year we submitted – and 2014 as we promised in Parliament will be ready in about two weeks’ time and 2015 will be ready in about a month’s time again.

The challenges that the Auditor General has identified in a number of cases is that sometimes when they are doing their audits, documents sometimes are not available for audit purposes. We have a particular challenge here which we have admitted to in the sense that sometimes the Auditor General will ask for

certain documents and we are unable to provide them with those documents at the time when they asked for those documents, bearing in mind that we are dealing now with an audit for the year 2008. The last audit was done for the year 2007. We are now in 2016.

I mean, most of us who sit around this table here probably were not even employed with the THA in 2006 and 2007. We are not saying that the documents are not available, we are just saying sometimes it is very difficult to retrieve them. More often than not, we retrieve those documents after the deadline has passed for submission to the Auditor General.

In some of the Auditor General's statements, comments were made that they could not see certain documents so, therefore, they could not form an opinion on the audit of the Tobago House of Assembly. We have complained to the Auditor General that we find that rather unfair because sometimes they might see 95 per cent of the documents, but the impression is given that all the documents were not seen and, therefore, certain things could not be accounted for. We have made numerous complaints to the Auditor General about this. But we do admit that we do have a challenge sometimes with presenting documents at the time when the Auditor General needs to see them.

**Ms. Ramdial:** Thank you very much for that explanation. You mentioned that the statements for 2013/2014 were submitted and about to be submitted for 2014, but what about the years preceding that 2007 to 2012? What about those statements going into the Auditor General's Office?

**Mr. Sandy:** Those statements have been submitted to the Auditor General. As I said, the Auditor General indicated – and I am not here to speak for the Auditor General – they might be short staffed and so on. We have appealed to the Auditor General to do an omnibus kind of audit of the THA accounts for the years 2006 to 2012 or 2013 so that we can become current and it is something I believe the Auditor General is considering, but as far as the THA submission of those documents, those documents are with the Auditor General. So it is no fault of the THA that they are now auditing the year 2007.

**Mr. Chairman:** Thank you very much, Mr. Sandy, again. Just one more question from me. We had here a concern concerning how much money the Tobago House of Assembly would have spent on eradicating the seaweed problem you all had and, also, do you all maintain a disaster fund and, if so, what is the amount within the fact that we are going soon into the hurricane season?

**Ms. Pilgrim-Soanes:** Chair, what we are faced with is the THA and the 1990 Act, and that was followed by the – the 1980 Act, sorry and that was followed by the 1990 Rules and then we had the 1996 Act that repealed the 1980. So now we have the 1990 Rules and the 1996 Act, and the 1996 Act provides for the use of the 1990 Rules with modification. So the 1996 Act talks to capital expenditure; the 1990 Rules talks to contingency and the contingency is from the unspent. So the Executive Council directs how the contingency is used. So there is provision for contingency within the THA. Did I answer your question?

**Mr. Chairman:** Not really. [*Laughter*] What I was asking specifically is how the THA has dealt with the seaweed problem. How much money was expended on it, the sargassum?

**Ms. Pilgrim-Soanes:** Well, the figures for the expenditure on the seaweed, Chair, we do not have that figure right now, but I could tell you that there is a plan, a sargassum plan, presently, trying to treat because sargassum is here again.

**Mr. Chairman:** It is here again?

**Ms. Pilgrim-Soanes:** It is here again –

**Mr. Chairman:** Right.

**Ms. Pilgrim-Soanes:** – and they are trying to treat with it. So, there is something in train, but the figures that we spent last fiscal is not available at this time, but can be provided at a later time.

**Mr. Chairman:** We will appreciate you providing it to us. And then the other question I had asked is: is there a disaster fund, really and truly, a disaster relief fund?

**Ms. Pilgrim-Soanes:** No, the contingency is what we use, but not a particular disaster fund.

**Mr. Chairman:** A more general type of –

**Ms. Pilgrim-Soanes:** Unforeseen circumstances is what the rules, hence the reason I gave the history. Unforeseen circumstances, money comes out of the Contingency Fund, so disaster, unforeseen, will come out of the Contingency Fund.

**Mr. Chairman:** I know you all have been before the PAC and the PA(E)C – just the PAC, whose remit is more an in-depth financial enquiry into you all. So we thank you for your contributions here this morning. If there is anything, in closing, Mr. Sandy will like to, say, leave with us and the public, we will appreciate. One moment.

**Mr. Solomon:** Through the Chair, you mentioned Studley Park Quarries: could you tell us a little bit why it is that you chose that as a revenue stream option?

**Mr. Sandy:** Because we think that the quarry is now underperforming, and the studies have shown that there is great potential as a revenue earner at the Studley Park Quarry, not only as a revenue earner, but also as a foreign exchange earner in the sense that we do import quite a bit of quarry material into Trinidad and Tobago, and we feel that the Studley Park Quarry can satisfy a large part of the that need and so, therefore, it will stem the outflow of foreign exchange to purchase aggregate material from outside of Trinidad and Tobago.

We have some challenges, and we are treating with them now. One of the challenges being having an industrial port in Tobago to treat with the movement of barges of materials and so on. And, for your information, when Atlantic LNG was being built in Point Fortin quite a bit of that aggregate came from the Studley Park Quarry. Barges left Tobago on a weekly basis with material to construct that plant. The studies have shown that the resources at the quarry are not inexhaustible, but we have quite a bit of resources there, and if it is properly utilized it can be a serious revenue earner for Trinidad and Tobago.

**Mr. Solomon:** I appreciate that. I want to ask you about earning foreign exchange, in particular. Are there any projects that the THA is considering that could assist in the foreign exchange earning apart from the tourism sector which is an obvious one?

**Mr. Sandy:** Not that I can point out a particular project, but we can earn foreign exchange in two basic ways: one is to reduce the foreign exchange outflow in that sense and also as tourism would do to bring fresh foreign exchange in. When the agriculture sector comes at the table here, they can perhaps discuss with you the thing that we are doing to improve agricultural production that would reduce the foreign exchange outflow as far as purchasing of food and so on is concerned.

**Mr. Solomon:** Through the Chair, the Auditor General's report, I understand for 2007 – is that the last Auditor General's report?

**Mr. Sandy:** That is the last one, yes.

**Mr. Solomon:** Can you tell us if you are happy with that report that you received and, if not, what improvements you plan to make in the THA with regards to that report?

**Mr. Sandy:** No, we are not happy with the report, because the report largely says that they could not form an opinion on the audit of the THA given that quite a few documents were not presented for audit scrutiny at the time when they was requested. So we are not happy with that at all. The Auditor General would have pointed out a few areas also where we can improve on our operations here, and we have taken those on board. The challenge though is that the Auditor General started making those comments from the audit of, I believe, 2005 or 2006, but those comments were made in the year 2012 and 2013. So you will find that in the continuing audit of 2007, 2008, 2009, 2010, 2011 and 2012, we will have the same negative reports, because they were only brought to our attention in 2012 after the fact. If you understand what I mean.

The 2006 audits were brought to our attention by the Auditor General in 2012. So it is only from 2012 that

we were able to address some of the concerns that the Auditor General had. So between 2006 and 2012, we would have the recurring problem that the Auditor General will continue to report on, because it was only brought to our attention in 2012 when we would have made the adjustments and so on. It is a real challenge for us.

**Mr. Solomon:** Through the Chair, Mr. Sandy, the people of Trinidad and Tobago have an entitlement to an Auditor General's report every year. It appears to me as though you are blaming the Auditor General, to some extent, for those reports not being available, and we are talking almost nine, 10 years ago that we have not had the benefit of the Auditor General's report or the Auditor General's accounts. I mean, what do you have to say about that?

**Mr. Sandy:** I am glad that you are agreeing with me, member. What we are saying is that we have submitted our accounts to the Auditor General up to the year 2013. We have submitted them on time. We have a statutory timeline in which to submit those reports, and largely we have submitted them on time. It is up to the Auditor General to do the audits. Sitting at the Auditor General now are the years 2008, 2009, 2010, 2011, 2012 and 2013. They are now auditing the 2008 – well my understanding is 2009 they are now auditing, because they might have completed 2008. So the next report to come to Parliament will be the Auditor General's report of 2008 and that is the one that we will be questioned on, but we have submitted – “we” meaning the Tobago House of Assembly – all our financial statements to the Auditor General up to the year 2013.

So, in other words, if the Auditor General wishes and the law allows them to, they can audit the 2013 report and the 2014 report will be with the Auditor General in short order in the next two or three weeks' time so they can audit the 2014 report, but they are now doing 2007, 2008. I understand they are now starting 2009. It is no fault of ours. We have submitted our reports to the Auditor General. It is up to the Auditor General to do the audits. We cannot be blamed for the Auditor General now auditing the year 2007 or 2008. They could audit 2013 if they so wish.

**Mr. Chairman:** Okay. Mr. Sandy, I have a question coming from Ms. Ramdial.

**Ms. Ramdial:** Thank you very much, Chair. Mr. Sandy, can you tell us what the unspent balances were for the period 2001 to 2015? In addition to that the total revenue and the total expenditure for those same years?

**Mr. Sandy:** I am afraid, Chair, those figures are available, but I would have to provide them via a separate report, but those figures are available.

**Mr. Chairman:** Sure, we will appreciate that. Members of the Finance Committee, I would like to – are there any more questions? No? – thank you for your contribution. At this time, we would like to invite tourism and transport divisions to take your place. We would ask Mr. Sandy his kind indulgence to remain with us being the Chief Administrator. [Pause]

*[Officials of the Division of Finance and Enterprise Development depart]*

**Mr. Chairman:** We are on again. This is the Division of Tourism and Transportation. Welcome to the hearing. You all have been part of what I would have said earlier on in terms of the purpose of this enquiry, this public hearing. Mr. Sandy, again, has graciously continue to keep his presence here, and we appreciate that, and he has been helpful thus far.

I would like you all to introduce yourselves to the Committee and to the public, please. Just keep your voices up, because it is being recorded by Hansard so we need to get every word that is said otherwise we would misrepresent you.

#### OFFICIALS OF THE DIVISION OF TOURISM AND TRANSPORTATION

Ms. Cherryl-Ann Solomon - Administrator  
Mrs. Frederica Brooks-Adams - Director Tourism

Mr. Samuel Henry - Transportation Coordinator  
Ms. Gwen Toppin - Management Accountant

**OFFICIALS OF THE DIVISION OF INFRASTRUCTURE AND PUBLIC UTILITIES**

Mrs. Wendy Guy-Hernandez - Administrator  
Ms. Sherrilyn Paul - Project Officer II

**PUBLIC TRANSPORT SERVICE CORPORATION**

Mr. Henry Cook - Assistant Deputy General  
Manager Operations, Tobago PTSC  
Mrs. Patricia Thomas-Clarke - Assistant Manager Operations  
Mr. Barry-Lee Graham - Mechanical Engineering  
Supervisor

**11.00 a.m.**

**Mr. Chairman:** Is that it? Is there anybody else? That is it? Okay. Thank you very much. I will call on Ms. Cheryl-Ann Solomon to make an opening statement, a brief opening statement, please.

**Ms. Solomon:** Good morning once again. As the Administrator of Tourism and Transportation I would just like to remind all of us that tourism is all of us. So it is not just the division that is responsible for tourism, but everyone in the island and who visit the island. And on this note I say welcome to Tobago our beautiful island and trust that this session will be very productive. Thank you.

**Mr. Chairman:** Okay. Thank you very much. Well let us get into the meat of it, eh. In light of your responses, the division of Tourism and Transportation, do you all engage in direct marketing or tourism in Trinidad per se?

**Ms. Solomon:** I will prefer to direct this question to my director.

**Ms. Toppin:** Yes, we do. [*Laughter*]

**Mr. Chairman:** Yeah. You see, based on your responses eh you will give certain figures and it seems to be that there is an increase in your tourism generally speaking and it seems to be overshadowed by domestic arrivals as tourists in Tobago, and it seems to suggest that a significant portion or a significant number of your tourists are coming from Trinidad, hence my asking whether or not there is a targeted campaigning or solicitation of visitors from Trinidad as part of your tourism drive.

**Mrs. Brooks-Adams:** Yes. We have targeted certain aspects of tourism in Trinidad. For example, we have every year a road show in Trinidad where we go to certain areas to sort of sell our products. I also want to point out we have not been able to separately identify regional arrivals. These flights are often classified as domestic because they are not direct and these numbers would be included in the domestic arrivals that we have produced.

**Mr. Chairman:** I see. So is this not Trinidad because of how your flights are configured?

**Mrs. Brooks-Adams:** Yes.

**Mr. Chairman:** Yeah. So that would account for the differences in—Now, are you satisfied with the air bridge support between Trinidad and Tobago at this point in time? I understand that it is something like—my last reading there—it is something like 28 flights per day between Trinidad and Tobago in terms of the airlift? Is that a true figure?

**Mr. Henry:** Yes. That figure seems to be correct. But to answer the question, if we are satisfied? The real answer to that is sometimes, because during a normal day we “doh” have much of a problem however, during peak periods or during peak times—

**Mr. Chairman:** Which would be when? What times?

**Mr. Henry:**—will be a challenge. Let us say, on a Friday evening coming to Tobago or on a Sunday evening going to Trinidad, we have real peak traffic or during, for example, we just finished the Tobago Jazz festival.

During periods like those, during Easter and during the July/August vacation, then we have a challenge with the traffic coming from—sorry with the service on the air bridge.

**Mr. Chairman:** Now, this seems perennial? Right? What strategies of efforts have been made to rectify this?

**Mr. Henry:** Well, what has been happening lately is that the Tobago House of Assembly along with stakeholders and Caribbean Airlines have been sitting down. As a matter of fact, we sat down and developed what we call a Heat Map. And what the Heat Map does is to identify those peak periods that I have just spoken about and determine the kind of supply that needs to be put forward on the air bridge in order to accommodate the demand at those peak periods. So we have looked at that, developed the Heat Map so that we can, in future, deal with these periods.

**Mr. Chairman:** Would it be fair to say that there is a significant, there is a high volume of traffic between Trinidad and Tobago generally speaking?

**Mr. Henry:** Yes. It is. There is a high volume of traffic and we could add that there is also this, what we could call, late on demand where some people would be probably willing to come to Tobago, but just would not go to the airport because some of the difficulties they might experience.

**Mr. Chairman:** My next question therefore is: why has anybody the powers that be, be it the Government of Trinidad and Tobago or THA have not been able to attract private enterprise in, if not competing, but certainly providing an alternative source of airlift or whatever it is to Tobago? Has that been explored?

**Mr. Henry:** Well I know the THA at one time had chartered a flight, an airline that is, to deal with the July/August situation some time ago and that helped tremendously. But for that to happen it really has to be a sort of a policy decision especially if it is coming from outside Trinidad and Tobago because you run into problems with [*Inaudible*], for example. So that has to be a decision taken by the central government.

**Mr. Chairman:** But is that not being engaged as a matter of priority because it is the basis on which Tobago tourism will survive or strive or become more profitable?

**Mr. Henry:** Definitely, and I think it is something that needs to be looked at urgently, probably that or even restructuring the whole thing so that you can have a dedicated airline serving the Tobago air bridge. Because right now what we have is not a real dedicated airline to the air bridge. Sometimes we, for example, would be at the airport waiting to come to Tobago and for some reason there might be a breakdown of an airplane and what happens we would have to be late, long lines, delayed. At the same time I must add, at the same time, you would be sitting in the departure lounge waiting and you see airlines, I mean, the same airplanes loading and flying to other destinations, regional destinations.

**Mr. Chairman:** Well, I can identify with that with the most recent experience coming here yesterday, because I was advised I should be at the airport at 3.00 p.m. I got there at ten to three, I never came to Tobago until around almost after five almost close to 6 o'clock. I could have gone to Miami and probably on my way back down, you know. So I was very disheartened by it, you know. I was very, very disheartened. I can identify with what you are saying and there are people would like to come to Tobago more frequently and cannot come.

As a matter for fact, I have your ear now, as well in situations like me, persons who are disabled. It was quite a challenge to have—and there seem to be not a cohesive or any fixed policy how people with disability are to be transported, because there were about two other persons similarly disabled like me. And my experience internationally when I am travelling is that the disabled, young and persons in need of assistance are allowed to board the flight first. We boarded the flight last and more so we were made to wait on the tarmac somewhere around there while the bus brought other people because it was parked some way away from the closest [*Inaudible*] and people had to commute by bus. Of course, I commuted by my own wheels, you see. But I found that totally unacceptable. All right? And having to wait that long

and given the challenges and, of course, the challenges that I have to or any disabled person would have to bear in mind did occur. I would not go into details, I mean, you could just use your imagination. It did occur and it is very unfortunate.

So I would want to believe there is a tourist destination, those are areas that one will have to look into. And, I mean, coming here I want to be positive, the hospitality is without question, on par with the best, very engaging, very friendly and so forth. But again, I am staying at a hotel, overnighing, of course, to be here on time and at the facility there were only two rooms for physically challenged like myself and they were not what you will require to be physically challenged rooms at all. Had I not walked with an assistant, I would have been in great difficulty in having a shower to refresh myself this morning. I would have ended up taking a cowboy. *[Laughter]* So, you know, with assistance I avoided the cowboy and I had a shower with great difficulty.

Now, the ones that you have when you are coming as a tourist or whatever, business person to accommodation in Tobago in a hotel that says it caters for the disabled, that there is proper disability. But I want to believe that people who are dealing with these things are not really understanding or probably do not consult with the stakeholders, with the very users, because putting up a rail in a bathroom and making it bigger does not make it disabled-friendly, eh. And I was surprised of the hotel that I stayed in before I became paralysed was Coco Reef. Coco Reef did not have disabled facilities as well and I wonder how many other hotels in your stock of hotel rooms would be catering adequately for such. I mean, the disabled tourism like in many other areas, there is a significant market internationally.

If you go on certain websites when you go in Europe, North America you can see where they can tell you, they make comments where are the places to go that are user friendly, and certainly they will flock to those places. If we are to be a tourist destination, we have to cater for all. I know it is a challenge, generally speaking, in Trinidad and Tobago, tourism or not, and it is something that we have to address with certain urgency. Tobago will not certainly be, in any way, a flagship in bearing the banner of making their facility or public facilities much more quickly disabled-friendly so as to attract persons differently built with resources or money to spend and to contribute to the economic welfare of the country. Yes?

Having said that, I do not want to monopolise because I am here to ask you questions, all right, not to make statements. But I could not resist what you were saying as one of the handicaps of transportation and I having just recently been a victim of that. Right? I wanted to share that with members of the public and the Committee, my fellow members as well. But Mr. Smith has a question for you which I will invite him to do so now.

**Mr. Smith:** I always say leave the stars to the astronomers and you all, what we read, is your main income is from tourism. Right? My background is marketing and advertising and there are so my facets and different realms in tourism. I mean, there are destinations that sell decadence. You see Dubai and those oil-based places selling decadence now. There are other places that sell shopping. There are places that sell sun sport, beach sports and so on, those who sell cruise ship destinations for retirees and so on. There are those places that sell the spring break party nightlife; those who sell the casino nightlife. Just here in the Caribbean alone you can find different pockets and corners in different islands that try to benchmark themselves as that.

And again, you all will be the experts because you all will have the research and stuff, but just like everything else, things evolve all the time. I do not know which one right now is the most lucrative worldwide in terms of which kinds of tourism. Some people go for nature trails, for bird watching. But what does Tobago benchmark itself now and if so is it that we are looking at other ways or other revenue streams to enhance or rejuvenate or to move forward to try to see if we could get more income? It is a kind of a weird question, but I think it is understandably where we want to find our benchmark is.

Because I will tell you, I saw a debate a few years ago where people were actually discussing if to advertise Trinidad and Tobago combined. Trinidad's market is different to Tobago. Trinidad is more industrial, business, finance; Tobago, as you know, is tourist, and there was a debate if we should separate them. I mean, you see it in North America all the time and it is such a hard space to find with all the noise that is going on in terms of the advertising. But are you all seeing you all evolving to find what is the more lucrative niche right now in tourism?

**Mrs. Brooks-Adams:** The first thing when we think about tourism is that we have to know our product in order to position it where we want to be. You say that you look at the other Caribbean islands, et cetera, and they offer different things, but because you have to know your product, there is where your product differentiation can come in and work for you.

For example, we have within the whole Caribbean the sand, sun and sea, but because we have now come to the point where we are beginning to understand our product, we can identify our product offerings and now that festivals can always play a part, an integral role actually, in Tobago's tourism product and hence we have festivals like the blue food festival, the heritage festival, jazz, dragon boat, cycling, I could go on and on and that is because we have taken the time to study our product in order to give that product differentiation that is absolutely necessary for creating a successful tourism destination.

**Ms. Ramdial:** Thank you very much, Chair. We have been advised in 2014 working on the hotel room expansion project, two properties were purchased at the cost of \$32 million: the Manta Lodge at Speyside and the Sanctuary Villa Resort at Black Rock. To date, can you give us the cost of these ventures and the timelines for opening?

**Ms. Solomon:** Manta Lodge and Sanctuary, with regard to the actual figures I will ask my management accountant to give you the details. But we just recently signed the contract for UDeCOTT to do the renovations and so on and we are estimating it would be ready by the end of this year. Right? So my management accountant will tell you the actual figures.

**Ms. Toppin:** We would have spent \$32 million to acquire both properties.

**Ms. Ramdial:** Yeah. Just one follow up question. How many rooms are we looking to expand by, accommodation and is this sufficient enough to boost the tourism sector here or do you need additional rooms? And this is just one, a part or that project.

**Ms. Solomon:** Approximately 78 rooms. And yes we would need more, but the THA, with regard to the division, in our attempt to improve the quality and the availability of rooms, this is one of the steps that we are taking.

**Mr. Chairman:** Can I ask, I do not know which one of you be the appropriate person, if it is the Director or Mrs. Books-Adams? The Jazz Festival that has just finished a couple of hours ago or a day or so ago, this has been going for some what – 10 years now? Is it as old as that or it is more or even greater vintage?

**Ms. Solomon:** It is approximately 10 to 11 years.

**Mr. Chairman:** Ten to 11 years. Now I know when something like this begins it is deemed to be a profit bearing event. Is it at this point in time profit bearing?

**Ms. Solomon:** From where I sit, not really profit bearing. It is more aimed at providing an opportunity for our entrepreneurs or business people to improve and to grow. And also the ideal is that we become profitable. But at this point we are, more or less, closer to breaking even than to say a profit because the idea of jazz, the jazz experience is really to encourage tourists to come to our island to explore much more than music, not just the singing and so on, but the island of itself. So it is an initiative that was really geared to encourage our entrepreneurs here to improve, rise to the challenge and the standard that is required.

As I am sitting as the administrator it is my hope whether it is under my watch or my successor, that we could really review the whole jazz experience as a THA, and yes improve on the business persons or the



entrepreneurs, but also make profitable so that my staff especially my accounting staff could be more comfortable with the whole idea. And I am saying that to say that we would have offered some timelines and so on for the festival to come off. Thank God the reviews that we got were pretty good, but we still could do more and we know that. So in the post-mortem we are hoping that we could make some recommendations to the executive council to the THA that we could really see it as a profitable venture.

**Mr. Chairman:** Yeah. At this stage can you tell us at this stage whether or not what percentage of your visitors for the jazz is domestic as opposed to foreign?

**Ms. Solomon:** It would be a little early to give you that information now, but if you give me a little time we could provide that information at a later date, if you would allow us.

**Mr. Chairman:** Yeah. But what about in the past? What was the trend from the past? Is there a trend? Was there a trend?

**Ms. Solomon:** I will ask my director to answer.

**Mr. Chairman:** Also in the meantime and, I mean, if you do not have this. In the meantime this is a short question: what was the cost involved in making such a production?

**Ms. Solomon:** The initial approval was \$19 million.

**Mr. Chairman:** Nineteen million, 19.

**Ms. Solomon:** One nine million, but because of the economic constraints we had to cut the budget and we tried to bring it as close to \$16 million. I am still to do the final figures as to the real cost. But we had to cut the budget because of our economic situation.

**Mr. Chairman:** Okay. So we go back to the first question.

**Mrs. Brooks-Adams:** This question it takes us back to the challenge of identifying regional tourists as opposed to domestic tourists seeing that we are not able to separately identify who are Trinidadians and who are regional.

**Mr. Chairman:** You mean because from the Caribbean perspective? Right?

**Mrs. Brooks-Adams:** From the Caribbean perspective.

**Mr. Chairman:** You do not fill out an immigration slip coming in from the Caribbean anymore?

**Mrs. Brooks-Adams:** No.

**Mr. Chairman:** You do not?

**Mrs. Brooks-Adams:** No.

**Mr. Chairman:** Okay. So, I mean, that is probably an issue we need to consider. I mean, in order to track the movement of Caribbean brothers and sisters, we need to be able to know how many people are coming from abroad. I find that very odd, eh. That is odd. You will land from Grenada or Jamaica, Guyana as the case may be and you come off your plane and you are coming here without filling a slip to see where you are coming from?

**Mr. Sandy:** Brother Chair, yes you fill out a slip at Piarco. But what you are saying is that, when you are coming to Trinidad and Tobago at the first point of entry, you do fill out that slip. But you can come to Trinidad and Tobago for three weeks and decide to come to Tobago for jazz and we cannot tell the difference whether you are Trinidadian, or Grenadian or, you know. So that is the point she is making.

**Mr. Chairman:** Okay. Thanks. But you think it will be useful having identified that is an issue that we implement something, not to get too bureaucratic again to impede the free flow of movement, but in order to track that as an information that is necessary in you making any plans towards focusing more into the region or elsewhere that we have some means of tracking persons that are coming in that kind of way?

**Mr. Sandy:** Yes. The research department of the Division of Tourism has that responsibility and I believe that they are looking at ways and means of doing some kind of survey that will give us an idea of who are the visitors coming to Tobago. I know it has been done in the past, but we need to continue that kind of

activity so that we can say well, okay, based on the results of our survey, estimate the number of non-nationals who are coming to Tobago for the jazz and so on.

**Mr. Chairman:** Okay. Mrs. Baptiste-Primus.

**Mrs. Baptiste-Primus:** Thank you, Mr. Chairman. Just to piggyback a bit on what you said. This is a situation that is a very simple one because our policies must be data driven, it cannot be emotive in context and in form. And from where I sit, to me it is simple. Those foreigners coming Tobago should be asked to complete a small slip, no bureaucratic form, just a brief form that captures where they are from and the length of time that they are staying in Tobago, because without that mechanism, from where I sit, it is difficult for any research department to capture that kind of data. How would you go about capturing such data that would influence the policies that the division would have to develop from time to time to further stimulate the tourism sector?

**Mr. Sandy:** Member, you have just identified the research that needs to be done. Basically as you said, a slip indicating where you are from and so on. But we also remember, we have to bear in mind that you also have the sea bridge. We have the air bridge and the sea bridge and there are no limitations on persons once you enter into Trinidad and Tobago on travel anywhere between Trinidad and Tobago. And if we are to do this on a consistent basis, when I say consistent, if every flight and every ferry trip that comes to Tobago, we have to ask persons to fill out a slip it means we have to give everyone on those flight a slip to fill out. And the citizens of Trinidad and Tobago might consider that to be a bit of a –

**Mrs. Baptiste-Primus:** No. No. No. My suggestion, I am sorry if – I accept full blame for my weak area in communicating properly what I meant. Not for the locals to fill out that small slip. It is for foreigners to fill out, to complete, not locals.

**Mr. Sandy:** And how do you identify a foreigner?

**Mrs. Baptiste-Primus:** Well just as when you travel internationally, locals go here, foreigners go in the other direction. But I am saying we cannot work out – you are going down into process. I am not dealing with process here. I am dealing with a solution for which the process can be worked out. Once the idea is one of searching for solutions, then a policy decision will have to be taken, that listen, we are going to implement X or Y and therefore the follow-up procedures can be worked out at the level of whichever committee or what have you. But I am saying the issue of ensuring that policies developed are data-driven and not emotive in intent or direction.

**Mr. Sandy:** And I certainly agree with you on that, member. And as I said the research department of the Division of Tourism will certainly be looking at that.

**Mr. Chairman:** Yeah. Thank you. Mr. Solomon.

**Mr. Solomon:** Through the, Chair, on behalf of the mariners and the ocean-going folk and that includes everyone from the fisherman to the reef boat operator to the yachtsman to the yacht charterer, the regattas, I have witnessed and I have heard the pleas and I have seen from my own eyes the “sufferation” that these mariners go through in the island of Tobago. The reef boat men are picking up people at Store Bay while the waves are crashing and tourists are falling off the back of the boats. I have seen the reef boats on Pigeon Point actually doing haul-out repairs while they balance on rocks, highly dangerous, highly toxic, destroying our reefs, putting the reef boat cleaners and men themselves in danger. And for the life of me I see them having to tote gasoline on the back of their trucks and haul it over to the boats, the gas is spilling all over destroying the reef, destroying the ocean. We have fishing tournaments here which are international grade, we have great yachting yet still there is no sign of a marina or even a haul-out facility or a proper gas station or coast guard base or reef patrol base in Tobago. I do not know if you can help me if that is on the cards or if that is at all being considered by the tourism department of the THA?

**Mr. Sandy:** Yes. I can answer that by saying it is not on the tourism department’s agenda, but it is on the

Tobago House of Assembly's agenda. I know that as we speak surveys are being done and efforts are being made to identify an ideal spot for a marina and actually it is one of the projects that the Government identified as important for the development of Tobago. Efforts were made in the past. We had an entrepreneur who had put a gas station in Plymouth and because the turnover was pretty small and you know the mark up on the sale of fuel is not very high, the business floundered.

And we have had other, how I should say, opportunities that would have passed by. But certainly we recognize what you are talking about and we know that is important if we are to develop a tourism industry in Tobago and we have to service the yachting fraternity and so on, that we must put these things in place. And as I said, we are actively looking at that situation right now.

**Mr. Chairman:** Thank you. Again, Mr. Sandy I want you to take a break, have some water and let me see if you can get some of these abled people to help you along. Okay? The question I have here, you have basically three major festivals or events being hosted in Tobago annually which is the heritage festival, you have the carnival, and you have the Jazz Festival just concluded here. Is there any way of assisting us to know which of those mentioned will be the most profitable or attract the greatest amount of tourism or patronage as the case may be? And why I am asking this, quickly, is because, in order to prioritize the scarcity in your allocations, you will have to say which venture means more should be given, or something should be taken away from. In a gist, that is it.

**11.30 a.m.**

**Mrs. Brooks-Adams:** In keeping with what I had said earlier about some of the initiatives that will play an integral role in Tobago's tourism advancement, because in our effort for product differentiation we looked at festivals. I will have to say that the heritage festival should be one of the main priority areas, and the Blue Food Festival. Because, being able to sell, for want of a better word, our food, a lot of people, or we have noticed that in this new tourism where people are looking for more definite activities, food has been one of the greater aspects of people travelling for culinary festivals.

**Mr. Chairman:** An experience?

**Mrs. Brooks-Adams:** Yes, for an experience. And we find that in these days of tourism when you have something that is extraordinary, like an experience, the best way to sell an experience is because it is not something that you can wrap your arms around, it is something that you have to feel, which is why we are going towards these sort of experiences instead of the normal sand, sun and sea. So, I will have to say the heritage because it showcases our culture, and lots of people travel for culture and heritage, and we will have to say food because of the experiences that we can offer in these areas.

**Mr. Chairman:** So again, is there some bases in place that could track the number of persons that would come for either one of these festivals, the blue food or the heritage? Like, you know, 100 come for the heritage; 200 come for the blue food, is there any means of tracking these things? Because, as Member Jennifer Baptiste-Primus said, these things must be driven by data. You must have the data to inform decisions. It must be based on some empirical considerations.

**Mrs. Brooks-Adams:** We do have in our division a research unit. We do not have the information with us, but we can pass that on to you at a later date.

**Mr. Chairman:** Okay, thank you.

**Mrs. Brooks-Adams:** It is available, not with us at the research unit, that is why I say –

**Mr. Chairman:** Okay, well, we would appreciate you forwarding it to us as soon as possible.

**Mr. Solomon:** Through the Chair. As I understand it, there was a law passed where foreigners were not allowed to own land in Tobago without a licence since 2007. We are informed that that has had a dramatic effect to the negative of foreign direct investment, can I ask if the THA is looking at changing that policy?

**Mr. Sandy:** Yes, member. The THA is having a second look at that policy. But I also want to add that

sometimes the THA is unfairly blamed for the sole implementation of that policy. It largely rest with, I think, the Ministry of Trade, Industry and Investment in Port of Spain, THA has a minimal input into that process. It largely rests with the Ministry of, I think it is Trade, Industry and Investment, in Trinidad. But, it is something that the Tobago House of Assembly is looking at. It is national in scope in the sense that if you are a foreigner and you have to own certain properties in Tobago you are required to have a licence and so on. But, the process ought not to be long drawn out and a difficult one. But, it appears to be so because of all of the factors of the approval does not rest with the Tobago House of Assembly. We have a minimal role to play in it.

**Mr. Solomon:** But, do you agree that it has a significant negative impact on foreign direct investment on the island?

**Mr. Sandy:** I have no information to agree to that. But, what I do know is that it was recommended at the time, because the cost of real estate in Tobago had skyrocketed and there was tremendous speculation in the international market on properties in Tobago. And had put the average Tobagonian basically could not have afforded to purchase anything in Tobago, and that regulation law licence arrangement was put in place to put some kind of control on the cost of real estate in Tobago. Because, at that time when it was put in place the average Tobagonian could not even dream to buy property in Tobago.

**Mr. Solomon:** Thank you for that. Could I just ask, do you know how many licences have been issued to foreigners to own property in Tobago?

**Mr. Sandy:** No, I do not, but that figure is available from the Ministry. I think it is the Ministry of Trade, Industry and Investment, but that figure is available. But, it is not a large amount, I know.

**Mr. De Freitas:** My contribution is two part. The second part is a question and the first part is tacking back to Mrs. Baptiste-Primus and the Chairman's comments in regard to tracking these specific events for tourism on the island of Tobago. I would like to humbly suggest that one way of tracking is at the point of ticket sales as opposed to the point of entry. The reason being, for example, if ticket sales were done online then you can definitely at that point either at purchase or at point of ordering the tickets you can ask couple questions to find out what the address is. You can even go as far, if you are doing it online via website or what not, to sell directly to other countries, be it Grenada or Barbados, and at that point based on the orders that you have gotten there you can find out exactly how many international arrivals you get per event, and that way you would get more feedback in order to develop policy. So that was the first comment.

The second part is a question. Your submission indicated that marketing initiatives undertaken by the Division of Tourism and Transportation led to an increase in international tourist arrivals by air and by cruise, could you describe for me some of these marketing initiatives, as well as, have all of these marketing initiatives continued during the current fiscal year?

**Mrs. Brooks-Adams:** The decision engaged in dedicating advertising programmes that highlighted a highly differentiated product and the uniqueness of the destination. The use of social media online and offline trade activities, store operator and travel agency training and leveraging the popularity of world renowned opinion leaders from Tobago as credible tourist ambassadors. We also took on what we call promotional analysts to further give us marketing intelligence as to afford us deeper penetration into existing markets and allow us insights into new destinations.

**Ms. Ramdial:** Thank you very much, Chair. You answered part of the question just now Mrs. Brooks-Adams, in addition to that I just want to say, within the Caribbean region – and I also want to ask a question – and I quote some stats here, in 2005 Tobago had 88,200 tourists arriving; by 2015 that had dropped to 22,435; when we look at tourism within the Caribbean region we have seen growth in Jamaica and Barbados. Do you think that it would be wise, ma'am to follow their models and implement some of what they are doing?

**Mrs. Brooks-Adams:** With all due respect, no ma'am, because we do have a different product. It goes back to understanding your product. If we would look at the arrivals from source markets we would observe – you called Jamaica so I will go with Jamaica, that most of Jamaica's tourists come from Canada and China. It tends to follow that people go where their currency can have the greatest values. Because Jamaica is also a very tourist destination they have the right mix for the type of product that they attract. So, to say that we should follow the model of another Caribbean country, we have to know our product and drill down to it, not look at what Jamaica has, or the Dominican Republic has, or even Cuba, they are quite different products and could never fit into our product, mainly because of the differentiation, the different things that people have to offer, and being the most southerly of the Caribbean islands, we cannot compete on sand, sun and sea, which is why we have to always recognize and keep in mind, we are we, we have to understand our product and drill down on what we have.

**Ms. Ramdial:** Follow-up question, so, in light of all of this information and knowledge that you have, why has there been such a consistent decrease over the years in tourist arrivals to Tobago?

**Mrs. Brooks-Adams:** There have been many challenges that confronted the development or the increase of marketing of arrivals in Tobago. For example, the airlift was not readily accessible. We are mostly long-haul markets, there was a passenger tax that was introduced that severely affected our long-haul travel ability. Because of the fact that this passenger tax was introduced it made the flights too expensive, and therefore we had to find innovative ways to make our destination attractive, because, and I have to always go back again to product differentiation, which is critical because of the fact that if it was sun, sand and sea they will go to closer destinations where they can get the value for the money, after you had added on the passenger tax that was introduced by the airlines.

**Mr. Chairman:** Mr. Samuel this question is for you. Tell me, what is the fleet of public transport buses in Tobago at this point in time?

**Mr. Sandy:** Let me refer the question to Mr. Cook, who is in charge of public transport in Tobago.

**Mr. Cook:** Thank you, Chairman. Forty-five buses are available on the island. In terms of the size of the fleet in Tobago, it is 45, but they are not all functional.

**Mr. Chairman:** How many are functioning?

**Mr. Cook:** As of today's figure?

**Mr. Chairman:** Yes.

**Mr. Cook:** There are 14 buses that are available.

**Mr. Chairman:** Fourteen?

**Mr. Cook:** Yes, 14 today. But, the figure I dare say at this juncture it fluctuates on a daily basis.

**Mr. Chairman:** What is the fluctuation?

**Mr. Cook:** The fluctuation, I mean, like for instance, at the end of today you may have a figure that says 18 buses. It goes like that. And we have to bear in mind it is an aged fleet you are dealing with. For instance, I think it was about two weeks ago we had 21 buses available in one day. So, you keep moving figures quite easily as you go along.

**Mr. Chairman:** The other question I was going to ask you will probably, it will be self-evident without even asking. So, how much of those buses are dedicated to say, tourism purposes?

**Mr. Cook:** Well, we have not really dedicated buses as such on the fleet. When they ask of us to provide buses, we do it on what is available basis.

**Mr. Chairman:** So, if you have a fleet of 40 and only 14 is operational and you have a request for two or three buses, a cruise came in and they want buses, what will be your position? It would not be able to be satisfied?

**Mr. Cook:** Well, we have tried, and I dare say to some extent, maybe divinely so, to successfully respond

to the request of the Division of Tourism. On all the occasions that they have had the ships coming in they have asked us for assistance and we have been able to give them. The figures I have, over a 12-day period dating back from October to present, we have been able to give them as much as 105 buses – you know, as much as eight buses in some cases per day to be able to meet their demands.

**Mr. Chairman:** Okay. The other question is, sorry, the Public Transport Service Corporation it is central government driven, is it and operated?

**Mr. Cook:** Yes, sir.

**Mr. Chairman:** And there is a division in Tobago that is managed by the Tobago House of Assembly, or that is not so?

**Mr. Cook:** The Public Transport Service Corporation in Tobago, our line secretary is the Division of Infrastructure and Public Utilities. We have to account to the Division of Infrastructure and Public Utilities, so hence is why Mrs. Hernandez is here, under whose ambit, you know, we are performing and have to account to.

**Mr. Chairman:** So, what is the relationship between Trinidad central government and the THA in terms of Public Transport Service Corporation buses being made available in the country?

**Mr. Cook:** That is a question I am unable to answer, because I know there is some –

**Mr. Chairman:** You are unable to answer?

**Mr. Cook:** Yes, because there is some things there in terms of the link between the THA and PTSC Port of Spain that I am not all privy to, in terms of how the buses are acquired. But, I know when buses are bought for Port of Spain they would give us a certain amount of those buses for Tobago. That is what has been happening over the years. Of course, the THA would have purchased buses from time to time dating back to 1997, and they have purchased buses on behalf of PTSC. Again, the arrangement between the PTSC Port of Spain and the THA –

**Mr. Chairman:** And are they refunded?

**Mr. Cook:** No, there is no refunding as far as I am aware.

**Mr. Chairman:** Well, then they did not purchase it on behalf of you. If I purchase something on behalf of you I expect to get back my money.

**Mr. Cook:** [Laughs] The Trinidad and Tobago shortfall as far as, you know, the needs of the public is of concern on the island, so the THA, they have risen to the occasion.

**Mr. Chairman:** Would you agree that this is woefully inadequate for the servicing of the general public of Tobago far less tourism? The tourism market, would you say is woefully inadequate as to what you are saying here?

**Mr. Cook:** It is highly untenable. It is something that is very, very unbearable at times when we have those calls because – and that is the other thing, when it is that we have, you know, the call from the tourism department to get buses to transport the tourists, if it is that, you know, the travelling public generally sees those buses transporting the tourists and they are on the streets not being able to get access to transport, that is the kind of dilemma that we find ourselves in, to be able to dovetail and to tweak, and to satisfy the expectations of general public at the same time, and trying to deal with the tourism calls. So those are the challenges that we are faced with.

**Mr. Chairman:** Those are significant challenges. And Mr. Sandy I would just to bring you back in here for this moment. That is a serious issue that has just been raised here. This, to me, underlies the whole thing. Without transportation – transportation is one of the elements of productivity, and without a reliable transportation system, even for the locals, far less the tourism, what are we doing? This is like spinning top in mud. You cannot move people, goods and services from one place to the next, what is really going on? That is something to me that has to be an urgent priority to be addressed. So, what is being done?

**Mr. Sandy:** Well, THA in recognition of the need to have buses on the island had actually placed in its budget the purchase of, I believe, was 30 new buses this year –

**Mr. Cook:** Fifty.

**Mr. Sandy:** Fifty new buses. We actually sent a team of to Brazil, they looked at the buses and so on. We are purchasing, I think, was the Volare buses. We have purchased some before, but because of budgetary constraints we could not afford to do that this year, so we had to shelve the idea of purchasing those 50 buses. But, we had them in plan to do. I must agree with you that the bus fleet in Tobago is woefully inadequate and, of course, it is extremely unreliable given the inadequacy of the number of buses. So, you cannot really depend on the Public Transport Service Corporation in Tobago for transport. It is almost like you come and if a bus shows up, well, you ride in it, if not you find alternative means of transport. But, it is woefully inadequate, I must agree with you on that.

**Mr. Chairman:** So, therefore, even for me to ask you this question, which I must put to you. I mean, in terms of the physically challenged, you go to the European countries, I just came back for the UK, I came back from Miami, I could get into any bus. I could get into any taxi as a matter of fact without any problems. Are there buses dedicated or outfitted to transport the physically disabled person? Yes, those buses you are buying are any going to be earmarked for that, or make sure that all of the buses are suitably outfitted so as to make that allowance?

**Mr. Sandy:** Yes and no. There are some buses that were purchased for use by the differently abled. My personal view is that we should mainstream the whole idea of making buses accessible to disabled persons, in that all buses, all public transport should be made available, and we should not have these special buses. Because it contributes to the continued stigmatization and elimination of disabled people when you only have a certain type of buses that they alone can travel on. I mean, you cannot converse with your colleagues and that kind of thing.

**Mr. Chairman:** That is right.

**Mr. Sandy:** So, my personal view is that we should mainstream that, and all public transport buses should be disabled friendly and have the necessary equipment to treat with disabled people. But, I know Mr. Cook might be able to answer this. I know of the fleet that was purchased in Trinidad for the – they call them the ELDAMO buses – a number of them were sent to Tobago. But, in my view that is not the way we should go at all.

**Mr. Chairman:** So, then the ball is in your court in terms of a policy, in formulating the policy. I mean, the technocrats may be doing implementing, but is that part of influencing Government policy in your contribution in terms of when you are going to –

**Mr. Sandy:** Well, certainly. Any say I have in this matter it would be attempting to influence Government policy in that direction of mainstreaming the public transport to facilitate differently abled people.

**Mr. Chairman:** I look forward to that.

**Mrs. Baptiste-Primus:** Thank you very much, Mr. Chairman. And, Mr. Sandy I could not agree with you more, because if we are to attain First World status, how we treat the children and the differently abled is very important. I want to turn the attention somewhat, but before I do so, I understood, if either yourself or Mr. Cook perhaps to have said that there are 45 buses in Tobago with only 14 operating?

**Mr. Cook:** Yes, member, that is what I said.

**Mrs. Baptiste-Primus:** So, it means therefore, that 31 buses are out of operation. What are you all doing about that? Do you all not have mechanics on board? If you do not have mechanics, is it that these 31 buses they are not repairable? I think the average Tobagonian would want to have information as to what the administration is doing regarding 31 buses out of compliance.

**Mr. Cook:** Yes member. In response to your concerns, what is happening is that we have not just sat idly

by and allow these buses to just wear down and stay down. There is an engineering department that is established in Tobago, PTSC, it is functional; there are 10 mechanics, and there are also trainees that are also assigned to that department. However, we are having some serious challenges in terms of acquiring spares on a timely basis to ensure that those buses are repaired and are available for service on an ongoing basis. And, as I indicated earlier, we do have an aged fleet. The buses are aged, and in spite of your best efforts in terms of trying to streamline the repairs, it is difficult to determine exactly what is going to happen next.

**Mrs. Baptiste-Primus:** The wear and tear.

**Mr. Cook:** The wear and tear. So, you fix buses today; you do your monthly checks and so on; your daily checks and all those things, and there is no guarantee that those things that you would have done today means that the bus is going to be continued on the road thereafter, because there are other things that you might not have touched that will go down. And the parts are not readily available. That is one of the serious challenges that we have. The mechanics, however, continue to work and do their best.

We have been asking for them to go for training and so on, continuous training. We have had assistance even from the manufacturers of those buses, the Yutong factory and also the Higer technicians came not too long ago, a few months last year, I think it was. They came in September of last year and spent a few months with us, to train our mechanics and to give assistance in repairing of those buses, but they did not make much of an impact, because a lot of what was expected could not have happened in the absence of spares, and it takes a long while for spares to get here. We ordered the spares on a timely basis, but it takes as much as six months for some items to get here, and that has been a major setback for us.

**Mrs. Baptiste-Primus:** Thank you very much Mr. Cook for that explanation. Mr. Chairman, through you, Mr. Sandy, I did note in the written responses from the Tobago House of Assembly the intention to purchase 50 Volare buses, but because the funds were not allocated the THA had to shelve those plans, and my question is, perhaps in the absence of large scale acquisition of buses the THA can perhaps focus on the incremental acquisition of buses? That is to say, if funds are not available for 50 then purchase five. Purchase five this year, and next year if you do not get sufficient funds, and you may be able to purchase two or three. So, instead of not acquiring any at all, you do it more on an incremental basis. Have you all considered that approach? Because, we are into, you know, some serious economic constraints.

**Mr. Sandy:** I could not agree with you more member, and I am certain that the Tobago House of Assembly is considering a smaller number of purchases. I do not know, because of contractual arrangements why, maybe, they could not have purchased five instead of 50. Because, I know a team went to Brazil, would have made some arrangements and all of that, I do not know if –

**Mrs. Baptiste-Primus:** That may have impacted on the price of the –

**Mr. Sandy:** That may have impacted on the whole arrangement. But, I am certain that it is still on the front burner, and it is something that is currently being discussed about supplementing the PTSC fleet in Tobago.

**Mrs. Baptiste-Primus:** Thank you kindly. And, Mr. Chairman, if you would just bear with me and permit me. In your written responses on pages 3 – I am focusing on pages 3 into 4, you identified – and when I am saying you Mr. Sandy I am not talking about you in the person, eh. You in the THA – that the attractions which appeared to be financially feasible revolved around Buccoo Reef and Nylon Pool tour, Main Ridge Reserves, Pigeon Point Heritage Park, Fort King George, Store Bay, Argyle Water Falls, Englishman's Bay scuba diving and, of course, the festivals; but then you pointed out that the attractions or experiences that are experiencing decline includes Little Tobago or Bird of Paradise Island, which is located some 20 minutes of the village of Speyside, and it is the home of 50 species of native birds, an occurrence and existence that people all over the world would want to see. But, you pointed out that this attraction is presently experiencing challenges due the existing infrastructure. And my simple question is, could you



share with this Committee some of the infrastructural challenges that you all are experiencing with regard to Little Tobago or Bird of Paradise Island?

**Mr. Sandy:** Yes, the main infrastructure has to do with the jetty and landing facilities to access the island. It is an island just off Speyside, and the jetty has been under some repairs for a while. And, not I suspect, I know that that is one of the major deterrent to persons visiting the island in a safe way. So that the boats can dock in and you can walk off the boat unto the jetty and unto the island. I know that that is one of the challenges that we have.

**Mrs. Baptiste-Primus:** Just a follow-up, Mr. Chairman. So, how far, or how low, or how high on the priority list is the repair to this jetty? Because repairing this jetty to make it more accessible could be quantified in terms of foreign exchange into Tobago?

**Mr. Sandy:** Yes, I guess you can make that connection. But, it is on the plans to be done, and it is on both ends. On the Speyside end and on the Little Tobago end. We have a challenge in a general sense with respect to jetties in Tobago. We just do not have the capacity on the island, so generally if you are doing repairs to jetties and so on, you have to contract an outfit out of Trinidad, and it requires barging up cranes and the kind of equipment that is necessary. Just the mobilization alone cost about a million dollars. So, it is fairly difficult to get that done as easily as you probably might get it done in Trinidad. So, I do not know if this is the case here, but it might be worth the while to consolidate and have an outfit deal with three or four jetties at the same time to minimize the cost of so doing. But, I know that the repairs to that jetty is on the agenda.

**Mrs. Baptiste-Primus:** And my final question to you Mr. Sandy.

**Mr. Chairman:** Final, eh.

**Mrs. Baptiste-Primus:** Yes, final, final. In light of the indicators that you just expressed, the huge mobilization and other costs associated with such a project, have you all considered public-private partnership approach to solving some of these problems?

**12.00 noon**

**Mr. Sandy:** Well, you know the PPP has been the most recent buzz words that are being used now, and we have considered that. In fact, we are considering that with respect to the development of a port at Studley Park. We are considering that in the case of a development of a port at Studley Park for the quarry and, as I indicated, for other works. Secretary Joel Jack is heavily involved with that initiative and we are considering a number of avenues for public/private partnerships.

**Mrs. Baptiste-Primus:** Thank you, Mr. Chairman.

**Mr. Chairman:** You are welcome. Mr. De Freitas?

**Mr. De Freitas:** Yes. Just to piggyback on the hon. Member's contribution, I wanted to suggest that bird-watching, as you were talking earlier about a branding on our product, could also bring in a lot of tourists. I was just googling here the number of birdwatchers worldwide, and the first thing that came up was 60 million American birdwatchers congregate on an ever-shrinking quarry. So that alone can fulfil the demand for international tourism here. So it may be strongly suggested that we look into getting that tourist product back up and running because it can contribute to a very large portion of the number of tourists coming here, in conjunction with the sand and the sea and the sun.

**Mr. Sandy:** Yes, Member. I note that at one time we used to have an alliance with Asa Wright Nature Centre, Speyside and so on. So we are familiar with that niche and it is something that we need to certainly build on. But it is certainly a very good idea.

**Mr. Chairman:** Mr. Solomon?

**Mr. Solomon:** Through the Chair, I agree with my colleague. Birdwatchers, I think, also are one of the highest spending tourist visitors to any island or any tourist spot. I just have a few comments, suggestions

and then a question. In relation to the transport between Trinidad and Tobago, it was mentioned that there is a heat map and that you are looking into solving the problems. My comment is that the system can be improved. For instance, if someone is on standby there should be some system of notification to people on standby. There is a lot of block-booking that happens where people block-book and actually do not turn up for flights, which turns the whole system into confusion.

I think that the system should—the booking system should be modernized. I think there is only one booking system in Tobago where you can go and actually book a ferry ticket. This should be able to be done far easier with the Internet and technology we have now. In relation to the comments about the operationalization of getting the statistics in relation to foreigners, it can simply be done by an ID card. I mean, when you come and you travel, you have to present an ID card. If you are a foreigner you would not have a local ID card or a local drivers' licence, so that can be easily solved.

The difficulty that I have in relation to the promotion of Tobago is that there is a major crime situation. A number of foreign advisories have advised not to come to Tobago because of the atrocious murders that have taken place of tourists and visitors, most recently the horrendous murder of the Wheeler family—a couple—which has triggered British advisory, Canada advisory, about how safe it is not to come to Tobago. It is not safe to come to Tobago. And this rolls into the question that I have in relation to how were we branding and marketing? How much money has been spent? And is there a consistent branding to promote the island?

**Mr. Chairman:** No takers?

**Mrs. Brooks-Adams:** Overall, from time to time there have been incidences where travel advisories go out. What we do is that we have been trying very hard to make sure that it goes out there, that Tobago is still a relatively safe place. The incidences that happen, we do not at all condone it but in every budding or promising tourism destination we have to admit that with the advent of developing tourism, crime also comes with it. We try to make sure that we put all the right words out there, that Tobago is relatively safe. We try very hard. We introduced the Tobago Policing—the crime stopping initiatives. So what we try to counteract that with is by putting out the initiatives that we have put in place to ensure—or to assure the people that Tobago is still a relatively safe place. We try to superimpose the fact that Tobago is green, clean, serene and relatively safe.

**Mr. Chairman:** I could agree with that.

**Mrs. Brooks-Adams:** And I would like to have my colleague help me out here.

**Mr. Henry:** “Ah doh know about the help out.” But I think we have to put the whole thing in perspective. Yes, from time to time we have incidents here. There is no question about that. But when you look—let us take, for instance, for the year—we are now almost to the end of April—we have not had any murder in Tobago. But still, we have advisories going out saying: “Do not visit Trinidad and Tobago”, because of, of course, the situation that is taking place in Trinidad. So sometimes because Tobago—and, of course, it must happen that way—is twinned to Trinidad, we come under the Trinidad and Tobago situation where the advisories go out about Trinidad and Tobago, although in Tobago it might be a little different from in Trinidad. And when you look back—as a matter of fact, we had a stakeholders meeting a couple months ago—probably about a month ago—and the police, as a keen stakeholder, a very important stakeholder in the tourism industry in Tobago, made a presentation and they were saying that the crime against tourists is reducing, and they proved—they brought their statistics to show that that is happening.

So, yes, we do have incidences from time to time, but overall, I think we are moving in the correct direction. We have just launched, just last year, the Tourism Police Initiative and the Tourism Police Section within the police service, and they are around. They are riding their bicycles. They go on the beaches. They provide the sense of security. As a matter of fact, a couple weeks ago when the Thai Ship came in here—

the Thai Cruiseship – normally when that ship docks, a whole section – a whole number of them – get on their bicycles and ride around Tobago, and it was so beautiful; such a beautiful sight to see that some of these policemen on bicycles were riding along with the tourists. So things are happening. Yes, we do have our incidences, but I think we are moving in the correct direction.

**Mr. Solomon:** Sorry, I just want to ask. I did not quite get the answer to the question in relation to the consistent marketing and promotion of the island. How much do you spend? Is there a consistent international and local marketing plan or policy that is in place? If you could shed some light on that for us, please.

**Mrs. Brooks-Adams:** Can you repeat that question. Sir?

**Mr. Solomon:** Yes. Is there a consistent international marketing plan that is active, and what sort of money have you spent on it in the past 10 years? Have you been measuring its success?

**Ms. Warner:** That question, we would have to provide the actual information at a later date, if you allow us. But yes, we have had marketing plans available which we work with. But if you allow us we would provide it at a later time.

**Mr. Chairman:** We will conclude with you all shortly because we have another group to go into. But you can see what critical importance you all are to the THA and to Tobago's development that, I mean, Members here can spend the rest of the afternoon engaging you all in trying to get a better assessment in order to be of some assistance in helping to move forward the development of Tobago. There are just a few questions remaining, and one of which, quickly and shortly, is: what type of tourist market is Tobago geared towards? Is it a luxury market? Is it the middle income tourist? Or is it a back-pack market, or a combination of all three?

**Mrs. Brooks-Adams:** We will have to say that because of the type of destination that we want to be, our initiatives are geared towards, as much as possible, getting the front of the plane.

**Mr. Chairman:** The luxury market.

**Mrs. Brooks-Adams:** Yes, Sir. And this is because – well, middle-upper income. This is because of the type of product that we are gearing to become. We are so far south that we have to do something to be able to attract the affluent for the types of products that we have in mind and are developing.

**Mr. Chairman:** Okay. Which exactly brings me to the other question and you now highlight it, which is: of the stock of hotel rooms – of hotels – how many of them are really geared towards the luxurious type of tourists? How many five-star hotels are there in Tobago, as opposed to three stars, two stars or no stars at all?

**Mrs. Brooks-Adams:** There are international rating standards that relate to hotels and guesthouses. None of our local hotels have been assessed by these standards. Any ratings are self-imposed and we are therefore reluctant to adopt these ratings.

**Mr. Chairman:** Wow. That is a “wow” moment, eh? So, I mean, that has to be reengaged. I mean, one has to look at if you really want to be a player in the market in terms of luxurious –

**Mrs. Brooks-Adams:** No, Sir. But I think that is a good thing, with all due respect, because if we are looking at luxury market, it will make us do two things. It will make us put policy in place to adopt the international rating standards and it would immediately improve our room stock because we are gearing towards something. And as a matter of fact, it comes in with the general idea of the tourism room upgrade programme. Because we have in our vision a mind-set of being luxury, and if we engage our private sector to collaborate with us – because in all these deliberations we have realized that collaboration with public and private sector is the key to success in tourism, and if we do all this holistically, we will be going towards the same page, or the same end at the same time.

**Mr. Chairman:** But you know what you are saying there, I have an issue with it, eh, which is, you must

have some kind of star. The Magdalena where I am, they market themselves as a four-star hotel. Do you know that?

**Mrs. Brooks-Adams:** Yes, Sir. I am aware of that. But who told them that they are four-star?

**Mr. Chairman:** They just determine that they are four stars?

**Mrs. Brooks-Adams:** No, but I am just asking that provocative question to bring to the fore that there is no international rating standard here.

**Mr. Chairman:** No? There is no entity that goes about rating them in Tobago?

**Mrs. Brooks-Adams:** There is a Bureau of Standards, but still, that – I want to, well, rephrase this by saying that there is a standard by which they are measured which is in the Trinidad and Tobago context, but it is not the international rating standards. So because of that, we can –

**Mr. Chairman:** So tell me – just to interrupt you – in Trinidad you have the Radisson, you have the Hyatt, which are international brands. Right? And they –

**Mrs. Brooks-Adams:** But they would have gone through the international rating standard to be able to say that, but there is no rating standard in Trinidad and Tobago to rate hotels.

**Mrs. Baptiste-Primus:** So, Mrs. Brooks-Adams, what you are saying is that hotels in Tobago will sell themselves as they see fit, but the services they offer have not been measured against the international standards.

**Mrs. Brooks-Adams:** I am saying that in a way, yes. I am saying that to say that because of what they offer, they can categorize themselves into a standard but because there is no international rating, we cannot say that they are four, three or two stars. We can say, for example, that the Radisson is “x” star or the Marriot or whatever, because they have been measured against an international standard. In Tobago I cannot say that that is the case.

**Mr. Chairman:** So it is something to be done in Tobago –

**Mrs. Brooks-Adams:** Yes, Sir.

**Mr. Chairman:** – or for Tobago. And having said that, I think my Member colleague here, Mrs. Jennifer Baptiste-Primus, was asking what difficulties you all face. What is the greatest challenge you all face in the Tobago House of Assembly at this point in time, be they economic or otherwise? What is the greatest challenge you all face?

**Mrs. Baptiste-Primus:** With respect to tourism.

**Mrs. Brooks-Adams:** Say again?

**Mr. Chairman:** Well, generally or – she is asking in regards of tourism what is the greatest challenge you all face. But I added on a broader perspective: what is the greatest challenge you all face? I mean, it always will be money – never enough money. But having said that, be that as it may, what is the greatest challenge you think needs to be addressed from your perspective, be it tourism, be it transportation, be it whatever? But at this point in time since you are tourism, what is the greatest challenge you all face in the Tourism Division?

**Mrs. Brooks-Adams:** I would have to say one of the greatest challenges that we face is that most of the hotels in Tobago are privately owned and because of that fact we are not able to adequately say to them – or we have to convince instead of demand – that certain things have to be done because there is no policy in place or any – do you understand what I am trying to say?

**Mr. Chairman:** Well, you are holding yourself out as a lame duck there. I mean, if you are an authority and setting policy, there are rules, regulations and so forth and they want to be players in your market –

**Mrs. Brooks-Adams:** The greatest challenges that we face is that we have to have a policy framework in which – we have to have a legal framework in which certain guidelines are set out for the industry, and because of this lack we are unable to put the systems in place that are necessary. So while there is no legal

framework we have to try to convince. And until and unless there is a legal framework we will still have that challenge.

**Mr. Solomon:** Through the Chair, this is relevant. Have you met with the Trinidad and Tobago Hotel Association? I mean, these are the stakeholders that would have the recommendations and you could have influence with.

**Mrs. Brooks-Adams:** We have a chapter of the Trinidad and Tobago Hotel Association in Tobago and we work collaboratively, but that still does not exclude the fact that in order for the challenges to be alleviated there must be policy.

**Mr. Solomon:** Through the Chair, Mrs. Brooks-Adams, are you not in charge of the policy and the collaborations and working together with these stakeholders?

**Mrs. Brooks-Adams:** Because there is no legal framework we have to use, what we call, moral suasion, which is what we have been trying to do and what we have been advocating.

**Mr. Chairman:** Thank you very much, members of the Tourism Division. You need to say something? You have to put on your mic.

**Mrs. Brooks-Adams:** I want to bring to the fore here that a policy direction is guided by the Secretary of Tourism.

**Mr. Chairman:** By the Secretary of Tourism?

**Mrs. Brooks-Adams:** Yes, Sir, not me – who directs policies.

**Mr. Chairman:** Well, let me say this. Let me say that at this point in time what has been unearthed here this morning is quite a lot and it therefore cries out that certainly there would be another occasion and hopefully soon, where we will have to ask you all – to invite you all – to come back, because there is a lot that has been raised, of significant importance, that I believe critically affect whatever development Tobago is seeming to focus on in terms of raising its share of foreign exchange and its own revenues and so forth, and we are here to assist. So on that basis, I will want to say that we will suspend our enquiry with you until further notice and we want the other division, which is, I think, the Division of Agriculture.

You all have been very, very helpful. I hope that you would have felt some relief ventilating some of what you have shared with us, and that not only ears of this Committee would have heard you but other powers that be would have heard you all as well. Having said that, do you have any closing remarks, Mrs. Solomon, that you would like to leave with us and the public before you take your leave?

**Ms. Solomon:** Just a small correction, Chair. “Ms. Solomon”.

**Mr. Chairman:** Sorry?

**Ms. Solomon:** Just a small correction: “Ms. Solomon” not “Mrs”.

**Mr. Chairman:** Oh, Ms. Solomon. Sorry. I am trying to marry you off. My apologies.

**Ms. Solomon:** On behalf of the Division of Tourism and Transportation and my team, I just want to say thank you for coming to Tobago. I want to reiterate what the Chief Administrator had said earlier and I trust that this session really went well. It is a learning experience and we take your comments. Many of your Members gave us good suggestions. We appreciate that and we are going to work on them. Thank you.

*[Officials from the Division of Tourism & Transportation depart]*

**Mr. Chairman:** Thank you very much. So we would like to invite the Division of Agriculture, and also, again – yes, Mr. Sandy. I know Mr. Sandy needs some rest. We will take a recess of five minutes.

**OFFICIALS OF THE DIVISION OF AGRICULTURE, MARINE AFFAIRS, MARKETING AND THE ENVIRONMENT**

Mr. Raye Salandy            Chief Administrator  
Ms. Karen Shaw            Agro. Investment Specialist

Ms. Nevlin Renwick                      Administrator  
Mr. Carl Murray                         Agricultural Officer 2  
Ms. Ruby Warner                         Technical Officer  
Mr. Abdullah Chadband                 Specialist Engineer

**Mr. Chairman:** Good afternoon everyone. We are resuming our session which we hope to conclude by probably 1.15 for the latest, so we do not have much time to waste anymore. Could you please introduce yourselves? You know who we are. I guess you all were sitting in the back.

*Introductions made.*

**Mr. Chairman:** Welcome and thank you very much. As you know, we just have, hopefully, a few questions for you all, continuing from this morning's session. The first question, Mr. Smith will like to raise with you.

**Mr. Smith:** Thank you, Mr. Chair, through you, in your submission again – very good submission with regards to the data and information for agriculture – you indicated that there are 1,000 farmers registered in Tobago and 5,020 persons employed in the agriculture sector. Sometimes you go into a little more depth with regards to a breakdown. But do the farmers export their produce? And if so, what countries are the main buyers of the product? And what product is the main product that is sold – which vegetable or fruit or whatever it may be is sold? And what are the agriculture commodities produced in Tobago that are supplied in Trinidad? So I want it domestic for Trinidad and also internationally, whether it is regional or not. Which farming produce is sold the most; exported the most?

**Ms. Renwick:** Mr. Murray, the officer, will take that question.

**Mr. Murray:** In terms of the output of Tobago over the last several years, Tobago mainly has not been able to actually attract exports out of Tobago into Trinidad, or even perhaps the regional market. The focus has been on food security, supplying – at least to supply the various residents of Tobago as well as tourists, as far as the hotel and tourism sector is concerned. So the main products that are coming out of Tobago in the form of crops mainly will be in areas of vegetables. The food crop section will be the staples: the sweet potato, the cassava, and particularly in the livestock we have seen tremendous increase in terms of support. And, in fact, we can actually boast and say that we have a very thriving trade with regard to the output in terms of livestock from Tobago going to Trinidad. Our data indicates that more than five years running we have exported, if you want to call it that, more than 5,000, just sheep alone, plus goats, plus a lot of other livestock to Trinidad, and that is a thriving trade, but it is just, basically, what we call, on the hoof. It is not in any form of value added. And basically we are trying as much as possible to expand and look beyond Tobago, but right now the emphasis has been on local food and nutrition security.

**Mr. Chairman:** Ms. Renwick, it was remiss of me to ask you if you had an opening remark to make. So please do so if you wish now.

**Ms. Renwick:** Good afternoon, again. Well, whenever you mention agriculture, and you also mention challenging economic times, everybody always look at agriculture to find the answers, and in our role in dealing with these economic times is that we are pleased that because of the times that we are in, there is a renewed focus being placed on agriculture, and at this time we are thankful for the opportunity for agriculture to step up and provide revenue and contribute to GDP. Thank you.

**Mr. Chairman:** Thank you. Mr. De Freitas?

**Mr. De Freitas:** Yes, welcome again. The question that I have is, on page 10, Item 6 of your submission identifies certain value-added products which can be derived from agricultural produce, namely, bacon and sausages, herbal tea, cassava and plantain chips and pudding. My question is: Has any action been taken by the Division for Agriculture to facilitate the development of these value-added products?

**Ms. Renwick:** Yes, we have taken many decisions concerning value-added products and my colleague

here would provide the answer.

**Ms. Shaw:** Over the years the agricultural division would have taken a number of initiatives to look at the value-added aspect of the primary commodities that we produce. We have developed successful labels such as the “Taste of Tobago” label that does a lot of cured meats, fruits and processing of fruits. We have also looked at the other initiatives that would help to develop the value added part of production, and as we had identified these areas here. We have been looking through the – well, first of all, let me just add this.

The division would have gone through the process of creating a strategic plan for the period, I think, 2015 onto 20 – forgive me, the end of the point. But the plan is there and we would have developed an area called the “Eco Foods” label, which is supposed to look at the value-added process for primary products. We are looking at private/public partnerships as an area for us to focus on in developing that, and I know the colleagues from Agriculture could speak more to some of the projects that we have looked at, like the “Agro Park” which would look to pull some estates that we have – not in production – such as Friendship, to help to build that part of the sector. So, yes, we have initiatives. We had initiatives in the past and we are currently continuing to work on those initiatives. Thank you.

**Mr. Chairman:** Mr. Solomon?

**Mr. Solomon:** Through the Chair, I was wondering, you know, the world stage now is very much on ecotourism and I was wondering if there were any agro-tourism products that the THA was focusing on that could help with tourism and agriculture simultaneously.

**Mr. Murray:** Sometimes when we engage in the agro-tourism talks, sometimes we are careful because sometimes it gets thrown into the ecotourism talk and that is sometimes a separate jurisdiction. But over the years we have been trying as much as possible and we are now presently engaged in trying to see what initiatives that we can bring towards the agro-tourism sector, trying to collaborate with the Division of Tourism, in identifying, perhaps, what is the agro-tourism product that we, perhaps, should be engaged in, in terms of attracting tourism.

At the local side we have formed alliances with many of our farming entities, certainly given support and facilitating their involvement with the tourism sector. As far as the agro-tourism product is concerned, I know presently the division is contemplating the establishment of a wild life park, certainly looking at drawing tourists, certainly into Trinidad and more so Tobago; looking at the concept of nature tourism, ecotourism, wild life tourism, taking into the whole aspect of being able to capitalize on that.

As well, there have been some initiatives in the past as well, looking at integrating one or two of our agricultural operations which were, more or less, derived from old estates and seeing how we can integrate that into a tourism product where persons can come from abroad and be part of – which is the novelty now in agro-tourism – of being part of an estate-type life and involving in some of the activities. Apart from the division, we do have some private investors and interests in Tobago who have already started that. For example, I believe there is a particular individual who has a cocoa plantation and right now he is engaging in that, where tours are made available. They can come and be part of that experience.

So there are some plans ahead but I think we are still a long way. But, still, we believe that we have been making the right – in terms of approach or steps towards defining the product and as well, working towards implementing it on the ground.

**Mr. Chairman:** Ms. Ramona Ramdial?

**Ms. Ramdial:** Thank you very much, Chair. Can you tell me how soon before your packaging facility at Lambeau, Shaw Park is opened?

**Ms. Renwick:** Well, I am proud to say that we opened it yesterday.

**Ms. Ramdial:** Congratulations.

**Ms. Renwick:** It is a state-of-the-art facility and we are very proud that we have this facility that is going to assist our farmers, agro-processors in branding and in quality, having things cleaned, using phytosanitary standards and stuff like that. Thank you.

**Mr. Chairman:** Mrs. Baptiste-Primus?

**Mrs. Baptiste-Primus:** Thank you very much, Mr. Chairman. With regard to the Division of Agriculture, on page 21 of your submissions you did indicate certain plans for expanding the agricultural production in Tobago, and I am very much interested in you – either yourself, Ms. Renwick, or any other of the officers with you, to expand on that. Because I recall one of my lecturers of many, many years ago, Mr. Jack from Tobago, always told us that Tobago was once the food basket of Trinidad, and that is no longer the case. As a matter of fact, Tobago is not a food basket for Tobago anymore, where the information is that there is an 80 per cent dependence on foreign products. So that I would like you to expand on what are some of the division's plans for expanding the agricultural production, one; and two, with regards to the Tobago hotel industry, what are the main agricultural commodities supplied to the local hospitality sector? And three, what measures, if any, have been identified to put in place to reduce the reliance on foreign goods? And lastly – four questions. Lastly, is the – well I did not want to ask the question three times, so that I thought you all were writing down the questions.

**12.40 p.m.**

**Mrs. Baptiste-Primus:** Well, Mr. Chairman, I did not want to come back four times to speak. So question No. 1, what are the Division's plan for expanding the agricultural production? And how dependant is Tobago hotels and hospitality enterprise on foreign produce? And what measures, if any, you all are aware off, to reduce that dependence? And what are the main agricultural commodities supplied to the local hospitality industry? And finally, whether or not there is any thought of perhaps utilising CEPEP, within the agricultural programme?

**Mr. Murray:** Let me first of all address the whole issue of expansion and expanding the agricultural sector, and in some way tie in with your third question. The Department of Agriculture has recognized that, certainly if we are going to be a major player, and contributing to increase GDP and reducing our reliance on foreign imports, that we are going to have to expand our areas of production.

So within recent times we have undertaken activities, looking at lands that are under our purview, and seeing how best we can bring lands that have been lying fallow, and lands that have been lying idle within production. And, therefore, we have identified in the first instance, in areas that are under the purview of the department, occupied by stations and surrounding stations, at least in the initial instance of about 45 hectares, which we plan to have establish with a variety of different produce, ranging particularly from food crops, including rehabilitation and conservation of our cocoa genetic reserve resource, even perhaps some coconut rehabilitation and in roads into development of the coconut industry.

So, we have in the first instance, targeted at least initial 45 hectares, in those areas in which we plan to establish a variety of food crops, tree crops and orchards. Secondly, we have also, and we are anticipating the distribution of lands at the acquired Friendship Estate, in which we estimate, again, to be approximately 45 hectares.



We are looking at in the instance once we are able to access these lands, to look at a three-pronged approach towards expanding the sector, and expanding agricultural production. One, we are looking at establishing in that area, crops with export potential. We have been approached by members of the Exporters Association of Trinidad, with the possibility of agricultural activity and production of certain commodities, which already have a demand in the international market.

Given the fact that we are an island that has an air bridge, an international air bridge, and freight system, where, you know, we have a lot of international flights coming in and leaving every time empty, and the cheaper freight cost, that it will cost from Tobago especially to European markets, as compared with Trinidad.

So, we would have identified, exporters would have discussed with the possibilities of looking at crops that already have an established market, an established demand, such as papaya, hot peppers, which continue to rate very highly. Not only looking at that from the prospective of export potential with the international market in mind, but also looking at intra-regional trade.

Trinidad and Tobago has a very strong and vibrant trade protocol with Grenada and Barbados, and we are hoping that as soon as we can step up to the requirements of having certified farms and production areas, that meet their demands, that we would be able to also have that.

Our reason for also exploring export potential crops, not only does it help in reducing, in terms of allowing us to have foreign exchange earnings, but it also allows us to deal with an issue in Tobago where we have farmers, and although they are producing in small acreages, the potential is still a lot to also cause glut in the Tobago market. We have a very small market, and we have a lot of competing farmers. At the end of the day, what we are trying to do, if you have farmers now, therefore, not competing, but working with each other, as what we call cluster groups, that they will be able to complement and be able to bring synergy to the production and the productive activity.

We are also contemplating embarking upon agro-parks development, something, a model that we would have looked at when visiting Jamaica some time ago. It is an area that we are hoping to attract significant private/public partnership, where we are making available lands that can be used intensively by public investors, in terms of developing agriculture in Tobago.

We have learned and we have understood over the years that, many of the significant, unfortunately, strides that we have made in the agricultural sector, sometimes have not come from farmers, but also they have come from business people who are just pure, you know, businessmen at the end of the day, and that is something that we hope that we can explore.

So, we are looking at the private partnership example, and we are not looking at it only in the area of crops, perhaps as well as livestock, looking at the vibrant trade that we have, and we are hoping that we can align ourselves with the tourism sector, in developing the Eco-Foods label as my colleague said earlier ago. Long now we have established and accepted that foods from Tobago are viewed as, you know, much safer and

stuff like that, and we are hoping that we can use that Eco-Foods label. And contiguous with the comprehensive economic development plan for Tobago, strategic priority area which focuses on branding Tobago, that we can all be a part of that whole concept of branding Tobago with Eco-Foods labels, looking at exploring niche markets internationally, with our Eco-Foods labels, looking at the products that we can derive from that.

So those are some of the areas that we are hoping to bring some sort of expansion into the sector, but coupling that which as well with what is necessary, which is also improving production, in the areas themselves. We have a lot of farms in Tobago, many small farms, in fact, that are not really productive, and it would also look at improving productivity, such as employing technologies, innovative means, labour saving, equipment and stuff like that, to make Tobago production a little more competitive with the Trinidad side off it.

With respect to the tourism sector, in terms of the hospitality sector and the sort of foods that we have been supplying to them, in fact, probably start on the demand side. There are still some challenges with the local hotels and restaurants, in terms of the menus, and in terms of what they offer to their international arrivals and stuff like that.

We are hoping through initiatives we have are coming, that we can partner with some of these hotels, in trying to get them to introduce and have part of their menu, a lot of local produce grown in Tobago, as well synonymous with the Eco-Foods label.

What we have done over time, is rather than be directly involved, as a department, we have facilitated a closer relationship between farmers in Tobago and many of these hotels. For example, years ago, the Magdalena, Coco Reef, some of these major hotels, what they have approached us saying, "We want produce from Tobago, but we do not want to deal with all of these farmers that at one time, individual farmers".

What we have done is, facilitated and interfaced between the – what we have now in Tobago, which is the Tobago Agricultural Cooperative, which is a part of the Tobago Agricultural Society, wholly run by farmers, and what we have done is facilitated them over time. So they now have had a very strong – and which I think is growing, and thriving – relationship, in supplying hotels with many produce, especially we are talking about the areas of vegetable and food crops, and also local meats. We have a demand growing especially for local meats. We, unfortunately, have not been able to get farmers to go into the value added, and high priced type of value added, that you can get from the various cuts of meat, but we have certainly had them engaged in that sort of relationship.

And finally, to say that, I think, in terms of what we can do to stimulate the hotel sector and the tourism – giving support to the local agricultural sector, and certainly it is as much as possible to get them to supporting the national drive towards having more local foods. Certainly, part of our plan is to have more chefs and more of the persons in the hotels who are preparing to experiment, to work with the tried – the

local produce, to have at least certain local products as part of a daily menu, if it is not one, at least twice a week, that you can have whether it is local goat, whether you want to have pork, or whatever you want to have, but it must be of a local origin, and try to at least build support for the sector in these areas.

I know you through four questions. I hope I would have probably been able to – or the CEPEP, I do not know if any of my colleagues would want to comment on CEPEP?

**Mr. Chairman:** Mr. Murray, your responses have been very, very comprehensive. I am not sure if there is anything else any member here can ask you again. *[Laughter]* I mean, you got – and you were very fluent. So you seem to be an officer on top of your game, which is quite commendable, alright? And we thank you for that. *[Members of the audience claps.]* I do not know, but my colleague here, Ramona Ramdial, she may have something else, not on agriculture, to ask you, *[Laughter]* but, please?

**Ms. Ramdial:** Thank you. Thank you, Chair. Mr. Murray, again, thank you very much for the comprehensive overview. We all know at this point in time that the agri-sector is a very viable sector. We also know that in Trinidad and Tobago, we have challenges with our young people in getting into viable sectors, and, of course, in recent times with employment. What are you doing as a unit to encourage young people into the agricultural sector and into agribusiness? What are you doing? How are you encouraging them? What are the incentives that you are putting out there, to encourage them into this sector?

**Mr. Murray:** The emergence of the YAPA Programme, the Youth Apprenticeship Programme in Agriculture over the years, is something that the THA and the Department of Agriculture would have adopted, and in its own way develop the programme to attract young people into agriculture. We would have been, I think, now, it is about the tenth cycle that we would have been in. We would have had initial enrolments of over about 220 persons, with a little about 50 – 60 per cent of them, eventually graduating as well.

So that we have the YAPA Programme that is running, which we continue to attract. However, over the years, we have seen a little decline because YAPA is competing with a lot of these other social programmes, and the young people will tell you quite frankly at the end of the day, “Ah goin’ where dey hah de higher stipend”. That is the response. So it has been a challenge, and we are constantly reviewing the YAPA Programme to see how we can make it more attractive.

As well we have seen, growing interest in terms of applications under the National Incentives Programme, which I think, is very commendable, that has now included an area for incentives for new youth in agriculture, supported by – obviously, a wider and broader policy of the Ministry of Agriculture, Land and Fisheries.

We have seen persons engaging and applying for incentives across the crop and livestock sector. And certainly, I think, what is also heartening, is that you also have young professionals, persons coming out of ECIAF and stuff like that, who are utilizing this facility which allows for start-up capital, in terms of developing.

However, what he need to do is, to understand how can we get perhaps those who are not of the literacy levels, really involved in agriculture? –and that continues to be a defining situation in Tobago. You continue to have the loss of persons, Tobago continues to have a farming population that is about 55 five years, which is the average age of the farmer based on the last agricultural census, and what we have done in our new strategic plan which was recently done, is introduce a whole new chapter and area that deals with innovativeness and youth involvement in agriculture. Not very much different from what is in the national action plan, food production plan of the Ministry for getting people involved. And what we are planning to do actually, is looking at new technologies and ways that will draw the interest of young persons, given the technology component, given the labour-saving component, given the component that links ICT, with agriculture and how as young people, that would more attract them to the business part of it.

I think, perhaps, you focus on the business, you focus on the technology and then the other part, which is the agriculture part will form the necessary foundation for it. So those are the areas that we have been trying to stimulate young persons in getting into agriculture, and even continuing to grow as agro entrepreneurs.

**Mr. Chairman:** Thank you very much, again.

**Ms. Renwick:** I will also like to add that at present, we are completing three green houses in Goldsborough. It is an herbs project where we are doing all different types of herbs. We are hoping to export eventually and that project is going to be run by YAPA graduates, from the Kendall Farm School.

**Mr. Chairman:** Thank you.

**12.55 p.m.**

**Mr. Chairman:** Thank you. You all may be familiar certainly with a facility by the name of Goldsborough farming facility. Is that facility well-known to you all? They had highlighted that they were having some problems in agricultural production activities and some of the issues they have are: no access roads, they said lack of security of tenure of lands which made it difficult for them to access loans from the Agricultural Development Bank. Are these problems still occurring? Is that a general problem in the agricultural sector in Tobago at this time?

**Mr. Murray:** Good day, again. One of the things I know is taking place currently, there is an occupancy survey being done by the Department of Land Management. This is to make sure they have the correct outline for the plots for all the farmers there. I was told that that exercise should be finished within one month. So the farmers have been engaged and that is part of the process to regularize them for their plots, and that should assist in their troubles from accessing loans.

With respect to the access roads, I personally can say we have just completed two at the area, and in collaboration with the Division of Infrastructure, they are actually getting an asphalt surface in the estate as we speak. There are some other challenges they have with respect to things like irrigation, but we have

programmes that we are putting in place to deal with that. Also one of the things we have done – we have heard their cries and we continue to work with that. We have two excavators that we have deployed in the estate. That does terracing for them, because some of the areas are predominantly hilly inside there, so they do have challenges working with the terrain. Now we have actually provided them with a lot of resources now. We have supervision inside there and that is actually taking place as we speak as well.

**Mr. Chairman:** Thank you.

**Mr. Murray:** Excuse me, Chair. I just wanted to point out with respect to the same Goldsborough Farmers Association and the whole concern about security of tenure. They are not alone in terms of farmers, in terms of their concerns in Tobago. I guess security of tenure is rated as probably the number one concern among farmers in Tobago. However, the security of tenure is related to access to credit and finance. In the response that we would have submitted – this was provided by the Agricultural Development Bank in Tobago – it indicated something that is quite significant, that the bank now has undertaken a facility whereby now there is a tenancy waiver. So, therefore, if farmers are occupying areas, first of all, that are Government state lands, once they are provided with Letters of Comfort to say that they have been occupying that, which I know has been happening, the bank will accept this as collateral.

Farmers who are on private lands and they also have problems with security of tenure, the tenancy waiver also holds once they have been occupying it for a certain period and are, therefore, unmolested for that time. So, I think the bank has taken significant steps – and I think it is quite commendable of the Agricultural Development Bank in Tobago – in introducing the tenancy waiver and the response as far as I am aware of, they are saying now the number of new persons applying for loans have almost doubled since that happened just about one or two months ago. So I think that will help to also address issues of tenure and access to finance.

**Mr. Chairman:** Can you tell us, based on what you have said: what would be some of the most pressing or challenging conditions you face in executing your mandate or achieving your aspirations in your division?

**Mr. Murray:** Perhaps we can start from the human resource capital that we presently have. I think presently, over the last couple years, we have suffered a severe attrition of staff and the untimely replacement from Service Commission has been a problem. One of major problems we are having now is that we do not have a lot of qualified staff who have been replaced to actually effectively man stations, man projects and, therefore, that human resource requirement is critical for us right now. I think we are operating vastly under par, given that lack of human resource requirement, because compared with Trinidad, in Tobago you do not have a lot of persons at the levels of specialist.

We have had several specialist positions created through a rationalization process that took place, I think, since 2007, 2008. To date, none of these positions have been filled. I think that the last we knew was that the Chief Personnel Officer had not as yet classified the positions, which is quite ironical because many of

these positions exist in the Ministry of Agriculture, Land and Fisheries, positions a, Agricultural Engineer, Agronomist, Entomologist, Pathologists, these are all positions that are on the books – the return of personnel of the Ministry – and, therefore, they have a classification but, to date, we have not had these positions classified and as a result we have not had them filled and, as we said, even the lower level staff, critical extension.

In 2014, we would have after about more than 10 years had our lowest level staff in terms of just only about one-third of the vacancies. If it was not for the intervention of the Tobago House of Assembly in terms of recruiting persons on contract, we would not have had lower level staff. So it is critical. We have not had that critical mass for the last probably 10 years plus to really effectively carry out our mandate. Financing has continued to be an issue. I think agriculture, it is quite evident not only in the national budget, but as well it trickles down to the Tobago scenario as well. You do not get the necessary type of funding that you need to actually implement many of the projects. Therefore, the division finds itself every year reprioritizing and significantly cutting back on the number of projects that we can effectively implement. Projects, in terms of finances, have to be consolidated into one to approach and to implement one project or two projects here and there. So that as far as productive capacity is concerned within the division and within the sector it has seriously been lagging simply because of inadequate funding over the years.

We are hoping to move towards a situation very soon coming out of our strategic plan that we would have a defining agriculture policy and framework that would form the benchmark and form the necessary support that we need to move forward with many of the programmes. But critical within as a division, those are the areas that we think that we seriously are right now being affected by.

**Mrs. Baptiste-Primus:** Mr. Chairman, permit me. Mr. Murray, you seem – I want to borrow the Chairman's word – you are on top of the game. You are in full command of the environment you are in, and I commend you for that, but I am a bit puzzled and it has to do with the classification of positions. Is it that you are saying that there are more contract positions than permanent positions on the establishment? Is that what you are saying?

**Mr. Murray:** No. What we are saying is that in certain circumstances where we have had a dearth of vacancies being filled, in some instances the THA was able to supplement through contract positions but, certainly, we do have quite a number of public service positions versus contract.

**Mrs. Baptiste-Primus:** How many public service positions on the establishment? Those would be permanent and pensionable positions. How many exist on the establishment?

**Mr. Murray:** I cannot say offhand, but I can speak to the question as I referred earlier to, for example, Agricultural Assistant Is, which are the lowest position in terms of qualified technical position in the department. On the establishment we have I think it is about 30 positions. I said in 2000 and I believe in 2014 or 2015 – 2015, after more than 10 years, I think we had about may be about 14 of those positions filled after about 10 years. Many of the positions have now been dormant and, therefore, would need to be

reactivated through Cabinet.

**Mrs. Baptiste-Primus:** Is it the word “dormant” or “suppressed”? Because it is generally well-known over the years certain public service positions have been suppressed for various reasons, but is it a case that you are at a point now where these positions are required to be unsuppressed and to have persons appointed to those positions?

**Mr. Murray:** Well, I do not know if I want to use the word “suppressed” but the case is I think that greater focus has to be given to Tobago in terms of filling of these positions and, particularly, at the specialist level knowing fully well that in Tobago, for example – and the reason why I seem to be on top of my game is because at my level it is unheard of, for example, at a meeting like this in Trinidad that you will have an Agricultural Officer II.

**Mrs. Baptiste-Primus:** That is why I made the statement, Mr. Murray.

**Mr. Murray:** Because in Tobago, for example, the organizational structure, you have officers perhaps, for example, which has been all of our experience over the years, someone at the level of an Agricultural Officer I perhaps carrying out duties and being more au courant with duties and stuff at the level of probably someone of a Director level, because we have more to carry on our shoulders.

**Mr. Sandy:** Mr. Chairman, can I just come in here and support Mr. Murray? In 2007 an assessment was done on the Tobago House of Assembly’s establishment and Cabinet created a number of positions, specialist positions for the Division of Agriculture. Since 2007, the CPO as awaiting classification. Like Mr. Murray indicated, some of these positions exist in Trinidad, so we do not understand why it is taking so long for them to be classified if they exist in Trinidad. Some of these posts are like agronomists and so on. So we have a number of specialized technical and professional positions that are not being filled because they are awaiting classification at the CPO since 2007. We are in 2016 now.

**Mrs. Baptiste-Primus:** Well, Mr. Sandy, if it is any comfort, your complaint is not alone, if that is any comfort. There is a problem at the level of the CPO’s department in terms of brain drain, attrition through retirement and what have you.

**Mr. Chairman:** I think sorry – this is a comment coming in from social media about the state of the Scarborough Market. I understand the state of the Scarborough market is in an atrocious condition. Is that in fact so and, if so what is being done to rectify that?

**Mr. Chadband:** The comment has virtue. The roof is in a deplorable state. The internals, we have assessed the whole market. We have rolled out to the public our intentions to move forward with the project. It would start with a relocation exercise, because you cannot be inside there when we are doing anything inside there.

We have everything in place for the relocation exercise, but there is one little aspect that we think may add value to the operation which is a site closest to the market. It has been one of the recommendations of the market vendors and we are seeing a little green light where we may be able to pursue that. In either case,

there is a location that we are prepared to move to if that does not materialize in Shaw Park. Up to this morning, I have been in contact with E-IDCOT which is the project managers entrusted with the task of bringing the project to completion for the THA. They have even done all the geotechnical surveys already. The designs are practically complete. They are entering into the tender phase.

Because of the economic situation, the project have moved through several different tiers of downscaling. Initially it was upwards of \$40 million, then it dropped to \$25.9 million. Right now we are down to \$15.9 million. I think that is where we have frozen it. That would allow us to do the roof, cold storage facilities, take care of the dilapidated shacks outside, d refuse storage, circulation issues and air-conditioning. It requires a giant overhaul, but we are working on it and we expect that as soon as we can relocate the market vendors, we will be able to complete the project in eight months.

**Mr. Chairman:** I know you said “assume”, it is months, weeks or what?

**Mr. Chadband:** My best bet is that that relocation exercise could be completed within two months.

**Mr. Chairman:** Two months. So can we hold you to that?

**Mr. Chadband:** If all the circumstances that are present now remain the same, yes.

**Mr. Chairman:** All things being equal.

**Mr. Chadband:** All things being equal.

**Mr. Chairman:** That sounds like an economist. Okay. I think your responses, certainly without underscoring any other contributor, Mr. Murray’s wealth of knowledge and his articulation of issues that were raised in his comprehensive answers sure would have enlightened all who were listening and all who are in a position to do something to be motivated to do something and assist in this apparent grave situation that you all seem to be doing yeoman service to make it a better division. So for that the Committee commends you. We look forward to your continued cooperation, and in so doing that you will be of greater assistance to the public at large.

I think we have exhausted what we could have asked you. I think you have taken the lead on us. You have really covered your grounds well, and I will invite Mr. Raye Sandy, as this point in time, to make any closing comments you would like to leave with us before we bring this event to a close.

**Mr. Sandy:** Mr. Chair, on behalf of the Tobago House of Assembly, let me again say thanks for having the session so that the officers can be exposed to the enquiry from the Joint Select Committee. I also want to thank the officers here and let me also point to Mr. Murray’s exceptional performance today. [*Clapping*] I really want to thank the officers for their support.

We have done quite a bit of work since the initial correspondence came from Parliament. We have met, we have strategized, we have attempted to answer the questions fully, and I really want to thank the officers for their support. And, again, let me thank you for coming to Tobago, because you could have easily summoned us to come to Port of Spain, but we really like the idea of you coming to Tobago and coming on the ground here so that the Tobago constituencies can have an input, so to speak. Again, thank you very



much and thanks to the officers for their support.

**Mr. Chairman:** Thank you very much for your words. I would also like on behalf of the Committee here to thank the entire Tobago House of Assembly for participating in this historical event, hopefully it would not be the first and the last. We would like to pay special thanks to the Clerk of the Assembly and her team from the Assembly Legislature for their tremendous assistance in making the necessary logistical arrangements to convene this meeting. I know it had its challenges, because it being the first, but I believe they were all dealt with reasonably well. So we all feel very grateful for your efforts and I appreciate it very much.

The Facility Manager and other members of staff at the financial complex, we also thank you very much. To the staff of the Office of the Parliament, again for your yeoman service continually, we say thank you. Members of the media for your coverage of this, Radio Tambrin, I think, Channel 5 – this morning they had an interview with me – and the viewing and listening audience for which this, hopefully, would have been of major benefit.

The people of Tobago, I thank you for coming out in your large numbers to participate and to make this a true public hearing, and we welcome this and whatever positive things that we, in the other aspect of country in Trinidad and Tobago can take from this, I hope we will be taking it this time. Again, thank you very much. I would like to bring this session to an adjournment. Thank you again. [*Applause*]

**1.13 p.m.:** *Meeting adjourned.*



channel 5. This is the second public hearing of the Joint Select Committee on Local Authorities, Service Commissions and the Statutory Authorities, including the THA. To the Committee's enquiry, this is further into the Committee's enquiry since certain aspects of the administration of Tobago House of Assembly. The focus of today's meeting is the state of Tobago's tourism section and the inter-island transportation. This hearing follows the hearing that was convened at the Financial Complex in Scarborough, Tobago, on Wednesday, April 27<sup>th</sup>. The Committee will meet with officials of the THA first, followed by the representatives of the Tobago Hotel and Tourism Association at about 11.30 a.m. This meeting, as I said before, is being broadcast live on Parliament channel and 105.5 FM. The audience could also be informed that they can send comments via email at [parl101@ttparliament.org](mailto:parl101@ttparliament.org), or our facebook page at [facebook.com/ttparliament](https://facebook.com/ttparliament), or on Twitter@ttparliament. My name is Ian Roach, and the other members of the Committee will introduce themselves, starting on my right.

*[Members of the Committee introduce themselves]*

**Mr. Chairman:** Thank you very much. I will now ask the members of the THA to introduce themselves, starting with Mr. Sandy.

*[Officials of the Tobago House of Assembly introduce themselves]*

**Mr. Chairman:** Thank you very much. I would just like to remind the listening public, as well as those present, that the main objective of this enquiry today is dealing with tourism and transportation. In terms of the tourism aspect of it, we are to determine the current condition of the sector, to assess the THA's strategy for attracting domestic, regional and international visitors, to determine the status of initiative projects aimed at improving Tobago's marketability as a tourist destination; transportation, to assess the current state of the inter-island transportation services.

Submissions were received—I would like to acknowledge submissions received by the THA on June 2<sup>nd</sup> at 4.26 p.m. Now, I must comment on the tardiness of this. You all were written to on May 9<sup>th</sup>, right? And you were requested to have the submission before us by May 23<sup>rd</sup>; we received this yesterday. I mean, this is really, really unacceptable, because it does not give us sufficient time to peruse this with the, you know, in a way that we would have preferred to have done so. So this is, I mean, this is not a good commencement. So I am representing the other members' views that this cannot be a pattern to be followed in the future. Okay?

We also received submissions from Caribbean Airlines Limited (CAL), the Port Authority of Trinidad and Tobago, the Public Transport Service Corporation, the Tobago Hotel and Tourism Association and the Tobago Chamber of Commerce. I will ask Mr. Raye Sandy, Chief Administrator, to make an opening statement.

**Mr. Sandy:** Good morning, Mr. Chairman and members of the Joint Select Committee. First, I wish to offer my sincerest apology to you, Mr. Chairman, and to the members of the Joint Select Committee for not submitting the responses to the list of questions asked in the time frame given by the Joint Select Committee. I want to assure you, Sir, that no disrespect was meant or intended but we were challenged to retrieve some of the information needed to properly respond to some of the questions asked. I can assure you, Sir, that this will not be repeated, and we accept the opening statement that you made, Sir, and we accept it with full responsibility.

**Mr. Chairman:** Okay, thank you. So that is it?

**Mr. Sandy:** Yes.

**Mr. Chairman:** It was rather brief, eh. *[Laughter]* Before we go directly to the focus of today's enquiry, Miss Ramdial has a question, or has some concerns she will like to raise with you following from the meeting, and representations were made by yourself at the last session. Okay, so Miss Ramdial.

**Miss Ramdial:** Thank you, good morning. Good morning, Mr. Sandy. Mr. Sandy, on April 27<sup>th</sup>, 2016, when

we had our first meeting with the THA in Tobago, I refer to the *Hansard* of this Joint Select Committee, and I need your clarification, and probably a possible apology if necessary if you see it fit. Now, from that *Hansard* I asked you a question about the Auditor General's report and why it is that there have been no Auditor General's report for the THA accounts from 2007 to present time. You responded by saying that you cannot explain why there is no Auditor General's report; however, the Tobago House of Assembly has submitted its financial statements up to the year 2013 to the Auditor General, and it is up to the Auditor General to find the staff to do the audits.

"The last audit which we defended at the Public Accounts Committee would have been the year 2007. So the Auditor General has the financial statements of the THA up to 2013–2014 will be available in two weeks' time, and 2015 in about six weeks' time. So we are very current as far as our submissions to the Auditor General."

Mr. Sandy, as of yesterday, info coming out of the Auditor General's office is what actually exists, and it, of course, is in clear contradiction to your statements on the 27<sup>th</sup>:

One, 2012 statements were submitted by the THA but then recalled to make adjustments and to date have not been resubmitted, therefore, this is hampering the 2012 report from being done by the Auditor General's office; two, you claimed that the 2013 statements were submitted, however, these are not official statements since signed copies are necessary, and what was submitted were photocopies;

Therefore, again, the Auditor General's office cannot proceed till these official signed copies have been sent.

The 2014 statements you said would be ready in two weeks. As of yesterday, these statements, again, have not been sent, and we have 2014 statements but, again, it is in the photocopied version and not the official signed statements.

Can you clarify, please?

**Mr. Sandy:** Yes, I would attempt to clarify. I am not aware of the situation with respect to the 2012 financial statements, and I will certainly have to get back to my office and get the information for you. As far as I know, as far as was told to me that that financial statement had been submitted; 2013, I understand there was some error or something in there and it was sent back to the THA, and that is being worked on; 2014, as of yesterday, I was told that that statement should come to the Auditor General by next week, and, 2015, about a week after that. I was told that they are awaiting some information to complete the 2015, but they have the information and in two weeks' time—as I said, next week, 2014 should be submitted to the Auditor General, and, 2015, within a week or so after that. That is as at yesterday when I checked with the office of the Director of Finance at the THA.

**Miss Ramdial:** And these statements would be the signed official statements, not photocopies?

**Mr. Sandy:** Actually, they told me that the 2013 statements are awaiting my signature. That is what I was told yesterday, because normally I would have to sign them off before they send them on to the Auditor General.

**Miss Ramdial:** And for the 2012 statements you would look into that to see that it has been resubmitted?

**Mr. Sandy:** Yes, I would look into that, and if by chance I gave wrong information to the Joint Select Committee and to the Parliament, then I sincerely apologize, but that is the information that I had.

**Miss Ramdial:** Thank you.

**Mr. Smith:** Again, welcome, to you all, all. I know last time we were on your shores and we appreciate, we know the effort that it takes for you all to make the trip as we went through it for the first time last time, so thank you for coming. In terms of tourism, your submission stated that most of the \$110 million spent on tourism during the fiscal year 2015/2016 was allocated to goods and services, current transfer and subsidies. I want to find out what was the DOT's main expenditure items under current transfer and

“subsidiaries” during the current fiscal year.

**Ms. Solomon:** Good morning, I would like to ask the Management Accountant to respond to that question, please.

**Ms. Toppin:** Could you just repeat the question for me, thank you.

**Mr. Smith:** What was the DOT’s main expenditure item under current transfer and subsidies during the current fiscal year?

**Ms. Toppin:** During the current fiscal year our allocation under current transfer and subsidy is being spent on, one, airlift; two, we will also be spending money on other areas such as financial assistance; we also do subventions to the THTI, that is the Tobago Hotel and Tourism Institute, so mostly that is what our funds will be spent on for fiscal 2015. And, of course, we also spend on tourism festivals, we have the jazz festival, we have the dragon boat festival, and all those other festivals that we normally have in the Tourism Division.

**Mr. Chairman:** Mr. Sandy, I do not know if you will be the appropriate person to answer this, but following from the representation made by the Tobago Hotel and Tourism Association, there were some things that jumped out at me, one of which is that – remember on the last occasion we were speaking about the rating of the hotels, the stars, and you were saying there was a reluctance, or the hotels themselves were rating themselves – what I understood, if this representation is true, and I would like to put it to you for your comment, is that they said that the operators, the tour operators themselves, are the ones who inspect and rate the hotels, and that compliance by the hotels with international standards is verified annually by the two operators during their inspection; they seem to be, I mean, why is it not being done according to the THA’s dictates?

**Mr. Sandy:** Mr. Chairman, I will ask the Director of Tourism to respond.

**Mr. Chairman:** First of all, is the statement true?

**Ms. Solomon:** Mr. Chairman, based on the information we have there are no international standards to rate the hotels, and as to whether the statement is true or not we will also still have to look into the whole information, but from the information I have there are no actual international standards to rate the hotels.

**Mr. Chairman:** But it is kind of odd coming from you all at this stage, I mean, Tobago is about tourism, and one of the foundations of tourism, you want to believe, is hotels, right? Hotel is one of the main attractions, right? And hotels internationally are rated, okay? Is there an organization that rate these things? Is it done locally? Is there an international body that you have to sign up with, or you have to sign some sort of agreement with? Why would this information not be readily available by you all, in your possession?

**Ms. Solomon:** Mr. Chairman, in all fairness to the division I would have to get more information to give you on that, because we would have to review, as we have been doing, as to why this is as it is, but I would prefer to have further conversations on it as to what really could be done in a quick time to ensure that we are all on the same page.

**Mr. Chairman:** Yeah, but you understand where I am coming from?

**Ms. Solomon:** Yes.

**Mr. Chairman:** We consider this to be very important. To me it is something – I mean, you start off with that, you have certain types of hotels, you spoke about going into luxury, attracting high-end tourists, and to attract high-end tourists you have to have a certain quality type of hotels, five star, and what you may, right? – what you may have, but to say at this point in time, you do not know, I mean, that is not good. I mean, it has me lost for words.

**Ms. Solomon:** Mr. Chairman, we hear you, we are really going to work on getting a better response for such a situation, but I would prefer to have further conversations on it so that we could get back to you on

where we are going on with it. But I hear your concerns. It is very important because the industry is very important, and everyone who are stakeholders also need to know that we are on the right page. So I hear your point and I am going to do all that I can do, from where I sit as the administrator, to ensure that we get what we have to do done.

**Mr. Chairman:** Okay, we hold you to that, eh.

**Ms. Solomon:** Yes.

**Mr. Chairman:** Mr. Solomon.

**Mr. Solomon:** That is a bit frightening, to say the least, Tobago is a tourist island, we hope to promote tourism, what is your tourism policy in relation to the quality of the hotels that you provide? How it is that you market if you do not know what the quality is? I mean, what is the benchmark? – the international standard used? You say you spend \$151,635,123 on island promotion, can you say where this is going?

**Mrs. Brooks-Adams:** On and offshore marketing efforts in road shows, marketing efforts in the destination, training, career fairs, awareness, engaging in new marketing initiatives and present marketing initiatives, basically.

**Mr. Solomon:** Are you satisfied that you have got the promotion of the island on an international stage to a satisfactory level where it compares to other Caribbean tourist destinations?

**Mrs. Brooks-Adams:** We can say that, based on the moneys that we work with, we know that things can increase, but what is needed is an increase in financial resources for the DOTT. This is necessary to have sustained marketing, increased airlift support and enhancement in the island's product.

**10.30 a.m.**

For example, if we would look at competitive budgets at a glance, in 2013, Barbados spent \$94.4 million on tourism marketing; St. Lucia, in 2009, \$50 million. I am talking US dollars, yes. CTO's 2009/2010 figure was \$1.390 million. I am saying that to say that if we want to see the greater efforts of marketing destination Tobago, we would be serious about what we are putting out in the marketplace for what we receive. In this way we would be able to say, yes we are satisfied, because we would have every system in place that is necessary so to do.

**Mr. De Freitas:** Good morning, members. The question that I want to ask is in relation to the airport, given that this is the first point of contact for international arrivals. I am wondering, when was the last time that the House of Assembly engaged in conversation with regard to the renovation of the airport?

**Mr. Henry:** Thank you, hon. Member. It is a very important question and a good one at that. The Tobago House of Assembly is acutely aware of the condition of the ANR International Airport, and as a result of that the Tobago House of Assembly has been having ongoing talks – ongoing – that we hope would lead to the improvement of the international airport. Many airlines that fly into the airport, especially Virgin, have been complaining bitterly about the condition of the airport. As a matter of fact, that was one of the reasons why in the first place that Virgin departed or pulled out of the destination because of the condition of the airport.

We are a little bit heartened to see that the Airports Authority is trying to do something. For example, trying to put in a VIP lounge so that we can afford to cater for that segment of customers. But to answer your question directly, we are in conversation with the Airports Authority, and we hope that now that we have a member on the board of the Airports Authority that the THA voice would be heard and our concerns would be attended to.

**Mr. Chairman:** Following from that, is that the reason why there are no direct flights to Tobago at this point in time? Is that a reason why?

**Mr. Henry:** No, there are direct flights to Tobago.

**Mr. Chairman:** There are?

**Mr. Henry:** There are direct flights.

**Mr. Chairman:** International direct flights?

**Mr. Henry:** International direct flights. We have international direct flights from Germany, from the UK and from New York.

**Mr. Chairman:** Okay.

**Mr. Smith:** I know you all host a number of good events with regard to sport, the Great Race. I know last year I think you all had a Legends Tournament. I know you all have the goat and crab races, and recently you had the beach football, CTC marathon and so on. Do you all have a comprehensive plan with regard to sport tourism? I know the Ministry of Sport here has been liaising with the team there as well. But do you all have a comprehensive plan that you are going to be pushing forward in recent times with regard to sports tourism?

**Mr. Henry:** The THA, the Division of Tourism and Transportation has a Sports Tourism Committee, because we recognize, of course, the importance of sport tourism. To that end, we have had a lot of activities on the island related to that. You mentioned some of them. We have the dragon boat festival that attracts a lot of visitors. We also have the cycling classic that takes place in October. It brings in a lot of visitors from the UK, and other sporting activities on the island. So there is a policy to do some more work, and we have the committee in place that is looking after that.

**Mr. Chairman:** In terms of the heat map that you all have, how is that working? Again, for the clarification of the information of the public, you could explain what the heat map is about.

**Mr. Henry:** The heat map is essentially a document that was collaboratively developed between the THA, stakeholders and Caribbean Airlines. What it actually does is to identify the areas of peak demand on the domestic air bridge, so that it can inform Caribbean airlines, so they in turn can provide adequate supply to meet those peak periods. That essentially is what the heat map does.

How effective it is, is another question because I have been tracking it over time and I realize that even when the heat map demands certain amount of seats on the air bridge that Caribbean Airlines sometimes fall below that. So what we actually need is not only the heat map, but adherence to the dictates of the heat map.

**Mr. Chairman:** So what was part of the strategy when you developed the heat map? Where there are glitches in it, what are the means of remedying it? Was something not worked out that there is a communication link where it can be quickly called into question and the persons that are really dealing with resolving it be brought on board, and some sort of quick execution is done to remedy it?

**Mr. Henry:** I think it is just a matter of implementation. I think what Caribbean Airlines has to do is to look at it, is to deploy resources as demanded. I mean, it is not possible to have air planes just lying around and waiting for when you have peak demand, we know that. And they try; I must say that they try. But if during these peak periods they can have one or two extra jet services, so that they can mop up in a very timely manner the excess demands on the airport, to ease the frustration of the travelling public.

What again we could add is that Caribbean Airlines has about five ATRs, and those ATRs were really supposed to be for the air bridge. These planes are being used for scheduled regional services. As a result of that, the sort of redundancy that is supposed to be existing on the air bridge is hardly ever present. So if, for example, you have two planes working on the air bridge and for some reason there is a breakdown of one airplane, then we have real problems, especially on peak periods like weekends and public holidays.

**Mr. Chairman:** But is it that CAL's response to that is that the air bridge is not profitable for them per se, and therefore they need to seek alternative markets in order to compensate for the shortfall in the service being provided with Tobago?

Just bear me with this. You just said that planes cannot be left idle – I do agree with you – but the peak periods between Tobago and Trinidad, that domestic air bridge, by now must be known to all. So if it is known to all, adequate provisions must be made for those times. I mean, once in a while you may have an emergency. This is not talking about emergency, these are planned periods that we ought to know from time immemorial now. So why would this be an excuse?

**Mr. Henry:** Mr. Chairman, I like where you are going. I think that we have to look carefully about the whole institutional arrangement with CAL, vis-à-vis the air bridge. I think for the air bridge to be fixed – and these are my thoughts – that one, we have to look at it and see it as an essential service. We might say it is essential, but that comes from the top of our head. I think the Government has to declare the service essential and treat it as such.

I also believe that the air bridge should be delinked from all the operations of CAL. The air bridge is subsidized, but where is the subsidy going? Is it going to the air bridge or is it going to subsidize CAL operations? With the delinking of the air bridge, we can tell for sure that our subsidies are directed toward the air bridge and nowhere else. Until we tackle these fundamental issues, we will always have problems with CAL and the air bridge. We have to really tackle it head-on and do something about it.

**Mr. Chairman:** I like what you are saying there, but has that been articulated to the THA, and the THA has articulated that to the Government or to CAL directly?

**Mr. Henry:** We are in the process – when I say we, in the THA, the Division, is in the process now of preparing a document that would be sent to CAL and that would be through the THA. At the Division we prepare the document, the document would be sent to the Executive Council for its approval. If it is approved it would be transferred to CAL and, of course, to the central government as recommendations, so that they can take on board to solve this problem once and for all. We may not have all the answers, but the conversation has to start.

**Miss Ramdial:** Thank you very much. With respect to the hosting of the Tobago Jazz Experience over the past five years, from the information you have given us here the actual expenditure over the past five years has been \$65,244,493.59. The revenue generated over the past five years has been \$17,116,961.15, with a shortfall of \$48,127,532.09. Do you think that it is feasible to continue with this event, in light of the statistics that we are given here in terms of the shortfall? And the expenditure far exceeds the revenue at all times.

**Mr. Henry:** Mr. Chairman and members, we have to look at the jazz in a sort of – I do not want to use the word “holistic” – but for want of a better word, holistic way.

I am talking about the Tobago Jazz Experience, which is different from the jazz festival. The jazz festival used to be run by Clico sometime ago, which came to an end around 2009 thereabouts, and thereafter the Tobago House of Assembly started the Tobago Jazz Experience. One of the differences between that is the jazz festival used to be held at Plymouth, if you would remember that. The Tobago Jazz Experience is island wide involving different communities.

When you look at the return from the jazz festival, it is not right to look at direct expenditure, direct revenue because there are a lot of indirect benefits. For example when you travel to Speyside where the jazz festival is held, or Castara, you can see 20, 30 vendors plying their trade and benefiting from the jazz festival. The taxi drivers benefit from the jazz festival. The communities benefit from the jazz festival. What we are looking at there is the direct expenditure versus direct income; that is income from ticket sales as well as sponsorship and probably some concessionaires. But the benefit of the jazz goes way beyond the direct income.

**Mr. Chairman:** Mr. Samuel, just an observation. Your designation here is Transportation Coordinator, but you seem to be very versed in other areas of the Tobago House of Assembly. *[Laughter]* I mean, I am really impressed with that, but it makes me wonder, the other members here, are they not directly responsible



for some of the questions being raised? Certainly we would like to hear some of them. Not that I am saying that we are not interested in what you are saying, it is very helpful. I am impressed with your holistic knowledge of the THA's affairs, but we have people who are designated in certain portfolios, and they are just silent so far. Probably they may have a lot to say later on, but I am actually waiting to hear from them as well.

**Mr. Sandy:** Bro. Chair, can I make a small response to that? In defence of Mr. Henry here—

**Mr. Chairman:** I am not attacking him.

**Mr. Sandy:** I know, but in defence of him, the Director of Tourism only recently took up her position in the Tobago House of Assembly, so Mr. Henry who has worked in the Tourism Division for a number of years has more historical and institutional knowledge than perhaps the Director might have at this time. The Director only very recently in the last few months took up that position, so is the administrator. The Administrator is relatively new to the division, so it is in that context that Mr. Henry is offering to explain some of the situations.

**Mr. Chairman:** Thank you for the clarification.

**Miss Ramdial:** Let me just ask one more question also with respect to what I mentioned before. The figures, they speak for themselves. Yes I understand what Mr. Henry is trying to say, when you look at the economics of this venture and the revenue generated, is there any sort of future plans moving forward to look to increase the revenue from the Tobago Jazz Experience, and not have this large shortfall of \$48 million over the past five years? When you look at the individual years you are seeing that the shortfalls keep increasing. So this is really food for thought and a concern. We cannot be expending so much money and having little returns and then say, well, you know, the benefits are otherwise indigenous to communities and vendors and all of that. We need to also look at the economics of the situation. Are there any plans moving forward to have these revenues increase in the future?

**Mr. Henry:** Absolutely. There are plans to narrow the gap between revenue and expenditure. But there is a sort of catch-22 situation. If you would notice in 2014 when we had John Legend on the island for the jazz, revenues were greater than in previous years. But what happens is that it costs a lot to bring people like John Legend to the island. So if you decide, look I really want to bridge the gap between revenue and expenditure, and you look for less expensive performers, then you have a situation where less people would attend the jazz festival, and that same gap that you are trying to reduce may increase.

On the other hand, if you decide to bring to the island, for want of a better word, more recognized performers, they cost more. So we have to start thinking now whether the marginal cost of bringing these more expensive performers would be compensated by the marginal revenue received from the additional patronization of the jazz event.

**Miss Ramdial:** Just one more question. But would that not be a marketing issue? I mean, it does not matter the cost of the artistes coming, if it is you want to generate high revenues you would look at the marketing strategy in terms of attracting more people to the Tobago Jazz Experience. So that is also something that could be looked at with respect to your marketing strategies at the end of the day.

**Mr. Henry:** Agreed, it is an all-round effort that is needed. We agree.

**Mr. Solomon:** Through you Chair, just briefly on the air bridge. This problem with the Trinidad and Tobago air bridge with Caribbean Airlines has been going on forever, and there are simple fixes that can be done; for instance people on standby could be communicated by text whether their flights are delayed. These simple mechanisms could be implemented without a massive address by central government, but I do think that it is high time that we get a timeline on when we are going to solve these problems, from you guys and from Caribbean Airlines, and that we get some sort of feedback as a committee so we can support you with your ideas and with the processes, from our end of Parliament.

That is just by way of comment.

I want to go to the relationship in relation to the region, how Tobago compares to the region. I want to ask you, what was your room occupancy for 2015 and how does that compare to the region?

**Ms. Solomon:** The Senior Research Officer will be referred to answer that question.

**Ms. Ramnarine:** Our room occupancy for last year averaged for hotels 40 per cent, between 35 and 40 per cent. We disaggregate hotels and guest houses, usually the hotels are a little more than the guest houses depending on the season.

**Mr. Solomon:** And how does that compare to regional room occupancy for the hotels and guest houses?

**Ms. Ramnarine:** Regional occupancy is usually a little bit higher than ours.

**Mr. Solomon:** Can you say how much was our average nightly rate?

**Ms. Ramnarine:** Yes, I have that figure. Give me a minute. Was that for 2015 as well?

**Mr. Solomon:** 2015, yes.

**Ms. Ramnarine:** The average rate for 2015 was \$1,086 for hotels and \$54 for guesthouses. Sorry, \$1,086, that is in TT dollars and that amounted to \$167 US, and for guesthouses it was \$344, and that is equivalent to \$54 US.

**Mr. Solomon:** How does that compare to the region? You have the regional figures?

**Ms. Ramnarine:** No, I do not have the regional figures.

**Mr. Solomon:** If I may, the figures that we have been provided with is that Tobago achieved only a 34 per cent occupancy, and that the nightly rate average was \$154 US.

**Ms. Ramnarine:** According to my figures –

**Mr. Solomon:** If I may just – To do the comparison, the regional occupancy rate was 68.8 per cent as opposed to US \$299. So Tobago you see is lagging way behind. Do you follow me?

**Ms. Ramnarine:** Yes.

**Mr. Solomon:** Can you give an explanation as to why we are lagging so far behind?

**Mr. Henry:** If I may, thank you for the question. You see, we have to be very careful when we compare one with the other, and be careful that we are not comparing apples and oranges. Let us look at what is happening in Tobago and what is happening within the region.

Tobago as we stand has no internationally recognizable brand hotel. We used to have the Hilton Hotel which was closed for some time, and it took us almost five years to replace the Hilton with the Magdalena, which is a good hotel. But if you go to the States or anywhere else and you up and say, "Look, I am marketing the Magdalena", they would ask you what is that? They cannot compare with anything that they know about. We have no recognizable brand hotel. The evidence has shown that a recognizable brand hotel in any destination helps international arrivals.

Look what happened in Grenada. Grenada was struggling. As soon as Sandals went into Grenada the numbers start to speak. The only recognizable brand that we have in Tobago is Kentucky Fried Chicken, Wendy's, and Subway.

**Mr. Chairman:** Mr. Henry, if I may, who is responsible for that? Is that not the responsibility of the THA then to promote that?

**Mr. Solomon:** And if I may as well, we also spent \$151 million on marketing.

**Mr. Chairman:** Mr. Solomon, let him answer that question first, please.

**Mr. Henry:** The question is?

**Mr. Chairman:** I said is that not the responsibility of the THA to see about what you are just ventilating there?

**Mr. Henry:** Well, it is not only the THA, because I will tell you something.

**Mr. Chairman:** You are saying it is not only, but do you see it as a fundamental responsibility of the THA

to rectify that?

**Mr. Henry:** I would not even say that it is a fundamental responsibility of the THA. Why I say that it is not a responsibility of the THA is that this involves foreign investment and it would also involve us taking a look at the Tourism Development Act of 2000, so that we can align our incentives with those of the Caribbean. When we look at the incentives that we offer for investment in the tourism sector, our foreign investment that is, and we look at what happens in other jurisdictions, we have to really look at—so it is not right, it is not fair to compare what is happening in Tobago with elsewhere.

**Mr. Chairman:** Mr. Sandy, the Comprehensive Economic Development Plan No. 2, that is a very comprehensive document, is it not?

**Mr. Sandy:** Yes.

**Mr. Chairman:** Now, it is over some 200 pages. It is two volumes, volume 1 and volume 2, and that is supposed to encompass a very large, broad review and policy making document concerning—and something was done with the Ministry of Finance in collaboration with the THA? Are you familiar with the document?

**Mr. Sandy:** To some extent, yes I am familiar.

**Mr. Chairman:** But is that not the document that is going to drive tourism and the whole development of policy and so forth with the THA?

**Mr. Sandy:** Yes, well it is the THA's, if you want to call it a blueprint, for the year 2013 to 2017, the Comprehensive Economic Development Plan.

**Mr. Chairman:** It covers what period?

**Mr. Sandy:** 2013 to 2017, the last iteration of it.

**Mr. Chairman:** But we are in 2016 right now.

**Mr. Sandy:** Yes, I agree.

**Mr. Chairman:** So what aspect of that has been implemented or not?

**Mr. Sandy:** I cannot say how much of it has been implemented, but I know that an effort is being made to follow the plan, but of course it depends on resources that are necessary to implement the plan and so on. The plan is the ideal kind of situation, but I am afraid that we have not met all of the goals of the plan, given the resource constraints and so on, but it is something that drives the operation of the Tobago House of Assembly.

**Mr. Solomon:** My concern is that we are spending \$151 million on promotion, yet still we are hearing that we are below region, we are below par, we are below profits, we are below in terms of averages, and now I am hearing, if I am to read you right, that it is not the THA's responsibility. That sincerely is an area of deep concern for me, and I am not hearing anyway that it is going to change.

I am not hearing anything new or inventive. I am hearing that we have to accept losses in the millions for various festivals, and there is nothing being done to increase or to get value for money, or to increase the promotion of Tobago. So whose responsibility is it and where are we going? Where is the money being spent and why are we not getting the returns for it? These are the questions that the nation needs to hear.

**Mr. Henry:** I do not know if probably it is my inability to make our position as clear as possible. What I am saying is the THA is responsible for tourism on the island, but there are certain things that are outside of the remit of the THA. For example, as I mentioned before, if the THA wants to attract investment on the island, new hotels for example, the THA can hold conversation with foreign hotel developers, even local hotel developers. However, if the Act that provides the incentives for these hotel developers does not provide—or the incentives are not as attractive as those in competing destinations, it is obvious that the development funds would divert to those areas where incentives are more attractive and the returns will

be more attractive.

There are some destinations that would actually give away anything to get, because they look at the big picture. They say if these investors come in and they build a 300 five star or whatever hotel room on the island, they look at the long-term benefit. So they do not mind being very liberal with incentives. All I am saying is that those things do not reside within the ambit of the THA. The central government would have to look at these things and make it more attractive, so that we can receive the sort of investment funds that are necessary in order to give us the branding, so that we can go out there and market as much as we are doing, and get better returns for the same amount of money we are spending. Otherwise we continue spending the same amount of money, or even more, for the same returns, because we do not have on island those things that would attract the tourists.

**Mr. Al-Rawi:** Good morning, Mr. Chairman. I apologize, I had another commitment prior to this. May I welcome everyone.

Mr. Chairman, I am a little concerned that the conversation is being skewed. Permit me to put a position forward and invite a response.

As I see it, the THA, which acts under the THA legislation, has a fixed budget to do a certain scope of work, which includes some of the activities which we are speaking today. But I cannot see it as the THA's sole responsibility to deal with the large enabling issues which the central government must deal with. An airport cannot be built to deal with lift capacity by the THA. Water on the island is not something to be dealt with solely by the THA. Electricity capacity – which is under capacity at present – cannot be dealt with by the THA, and the issue of the provision of services, i.e. labour, to facilitate, cannot be dealt with by the THA, nor can the fiscal packages by way of incentives in consecutive Finance Bills year on year, be the responsibility other than the Ministry of Finance, Trade and Investment. So the enabling environment as I see it has some role and responsibility shared, between the THA and the central government.

What I would like to ask is: we have had a discussion in relation to comparing outside of Tobago statistics, where we heard of room occupancies at 60-something per cent, where we heard of average rates at different points, but may I ask this question? What are the stumbling blocks by way of enabling inputs that the THA would require from central government to address the issues that affect the productivity and value for money growth in relation to tourism? Those are, to me, the real issues that will move us away from the THA's constant expenditure – if I could use this expression for those who have seen the movie – in a ground hog way, Ground Hog Day sort of expenditure, where you do the same thing and wake up every morning with the same experience. But those are the things which are going to impact the THA's ability to achieve its mandate under law. Could I invite your reflections on those?

**Mr. Henry:** Thank you very much for your input, member. What is needed is a conversation. Let us sit together, central government and the THA. Especially now, we understand that a lot of focus has to be placed on tourism. We further understand that when you really look at it, Tobago is tourism; we recognize that. Let the THA and the central government come together, come around the table and let us say, "We want to develop tourism in Tobago, what are those problems that you are facing?" Let us discuss them. What do we have to do to facilitate the process? Let us sit together and come up with the answers to those questions, in a serious and meaningful way and let us take it from there.

At the THA we understand the impediments we face; we understand the problems in the industry. You mentioned the airport, look at the sea port. We are losing one of our largest cruise ships next season, because when QE came into Tobago there were two tyres used as fenders to protect a vessel that is worth \$1 billion. They almost turned back. They said they are not coming again; let us get our act together. They are not coming again. Now, every single visitor that comes off that cruise ship spends US \$74 on the island.

That ship made 10 calls, 2,740 passengers per call. We are losing that. Why?

The THA is not responsible for port infrastructure. The last time the THA had to spend \$15 million to extend the pier, THA money where that Port Authority should have spent, just to save the cruise industry. Let us sit and come up with the answers and let us move forward.

**Mr. De Freitas:** In keeping with the sentiments of the hon. Member, the Attorney General, I just wanted to indicate also that I have been seeing certain things popping up with regard to tourism in Tobago recently. One of them was a report or a positive note whereby Tobago was indicated as one of the fastest growing tourism destinations in the Caribbean this year. What I wanted to make sure was that given all of the initiatives that have been taking place from the House of Assembly, in trying to boost the international tourist arrivals to Tobago, have we yet identified exactly what initiatives, whether it be festivals, whether it be sports tourism that would have led to this commendation by the international body?

**Mr. Sandy:** Can I respond partially, and then I will ask the people from Tourism Division specifically. Mr. Chair, the conversation has started in the sense that the hon. Prime Minister now heads a national committee treating with the issue of tourism in Tobago. We have not yet had a meeting, but I am a member of that committee. The Prime Minister chairs that committee and it includes persons from the public and private sector. It is a fairly large committee, very wide-ranging and so on. The conversation would be about tourism in Tobago, with the Government recognizing the importance of tourism to Tobago, and the importance of tourism to Trinidad and Tobago. I am just indicating here that a committee has been set in place. In fact, Cabinet approved it fairly recently, and I believe that conversation will start soon.

**Mr. Chairman:** Everyone is speaking about a conversation to start, but you have this document here as I said, the Comprehensive Economic Development Plan 1, and Plan 2. I would believe that some conversation must have taken place to inform this. About eight items here are being covered by this comprehensive plan, one of which is the branding Tobago, clean, green, safe and serene, good governance and institutional reform, business development and entrepreneurship. So far these things I have mentioned must have incorporated some of what you all have been speaking here. Human capital development, improved infrastructure and utilities, social development and resilience, enhanced safety and security and environmental sustainability.

This must have been a significant amount of conversations taking place to inform this document. The conversation has to stop somewhere, and implementation has to begin somewhere. I am taken back by the level of conversation invitations, when we should be doing implementation. How do you address that?

**Mr. Sandy:** I do not know if I have the answer to the question of how we address it, but that conversation I am referring to, Bro. Chair, has to do with implementation. In other words, we have our Comprehensive Economic Development Plan that was developed in Tobago by the Tobago House of Assembly as the blueprint for Tobago moving forward. The central government in recognition of the importance of tourism in Trinidad and Tobago has decided in its wisdom to start a discussion with the Tobago House of Assembly as to how that plan can be implemented in the broader context of national development. So when I say the conversation has started, that is the kind of conversation I am talking about.

**Mr. Chairman:** It cannot be just conversation and conversation stage, we must move on to implementation.

**Mr. Sandy:** And, Bro. Chair, at your wish, I have a response for member Ramdial with respect to the Auditor General reports. Can I do it now?

**Mr. Chairman:** Sure.

**Mr. Sandy:** Using the technology of course, my Director of Finance informed me that the revised 2012 and 2014 document is awaiting signature to be sent to the Auditor General. So it means that I have to sign off, the Director of Finance has signed off already. In other words, by next week those documents should be

to the Auditor General. That is the 2013 and 2014 financial statements.

The 2013 financial statements they confirmed that that has been sent to the Auditor General a long time ago, and the 2015 is to be completed shortly, and when I say shortly within the next week or two weeks, and that would be sent to the Auditor General also. So let me repeat, 2012 and 2014 are just awaiting signature to be sent to the Auditor General, 2013 has already been sent to the Auditor General, and 2015 will be sent to the Auditor General very shortly.

**Miss Ramdial:** Just to respond. Mr. Sandy, I do not mean this back and forth with you, but at the end of the day, first of all, with respect to the 2013 accounts, are we to assume that the Auditor General's Office gave me wrong information yesterday?

**Mr. Sandy:** The wording I have here from the text is that I can vouch that the 2013 documents have been sent to the Auditor General.

**Miss Ramdial:** Signed or sent copies, not photocopies, right?

**Mr. Sandy:** I believe that is the protocol for sending them to the Auditor General.

**Miss Ramdial:** With respect to the signatures for the 2012 and the 2014, I mean, we need to be a little more proactive and efficient in getting these submissions in. Because we are one of the few oversight committees at Parliament, and for you to make that statement at the first meeting and mislead us, again is food for thought. We need to be little more careful with our accurate information. Thank you.

**Mr. Chairman:** Let me just add something to what Ramona Ramdial just said. I want to believe that when we invite participants to come before any of the joint select committees, even our Committee, we expect them to be careful in preparing their material. I would want to believe that it is not a deliberate effort to mislead us because you would be misleading the public, certainly it is an embarrassment to yourselves as well, so I want to believe it may be a bit of tardiness in not making sure, crossing your t's and dotting your i's. But in future it is probably a good warning lesson or whatever it is, caveat, to move forward in coming again before us or any other review oversight body you may be coming to make your representation.

**Mr. Sandy:** I take your advice, Bro. Chair, but I am told here that November 14, 2014, was the date when the 2013 documents were sent to the Auditor General. November 14, 2014, the 2013 financial statements of the THA were sent to the Auditor General.

**Mr. Chairman:** Thanks, we will accept that.

**Mr. Solomon:** I was wondering what you would say would be the most burning issue in terms of the hoteliers and how you support them with those problems that they may have?

**Ms. Solomon:** Mr. Solomon, could you just repeat the question for just one second for me, please.

**Mr. Solomon:** I asked you what would you say is the most burning issues that the hoteliers of Tobago may have and how do you help them with that problem?

**Ms. Solomon:** In my opinion, the TTIC registration of properties in Tobago is one of the most burning issues, and by our stakeholder meetings and so on we would give our input and get theirs as to where do we go forward with it. So that is to me, from where I sit, one of the most burning issues.

**Mr. Solomon:** Through the Chair, could you explain that a little better please; just expand on it for us.

**Mrs. Brooks-Adams:** There is no internationally recognized brand in Tobago, nor is there a national regulatory system at the moment for industry regulation, save and except one quasi body that provides certification, the TTBS through the TTTIC programme.

**11.15 a.m.**

**Mrs. Brooks-Adams:** Because of the fact that the arrangement calls for the engagement of TTBS and the private sector for this certification, there seems to be an issue emanating somewhere between the TTBS and the hoteliers, because there is an audit fee requirement which I have been made to understand is very

costly. We are awaiting advice as to how this audit fee is going to be covered and by whom. In the meantime however, the THA has been trying to facilitate a process of some sort of a quality by providing advisory visits at no cost to the property owners.

**Mr. De Freitas:** I just wanted to mention that I did not actually get an answer to my question, I think you went on to the Auditor General's Report. Just to reiterate, given the report that came out that said that Tobago is one of the fastest growing tourism destinations for this year in the Caribbean, do we know what initiatives that would have been taken by the Department of Tourism and Transportation that would have led to that report so that we can increase those?

**Mrs. Brooks-Adams:** We believe that our marketing efforts, even though we have all the challenges, have somehow started to bear fruit, because for two consecutive weeks on CNN, our beaches were identified as some of the best beaches in the Caribbean, and also on CNN, also about two to three weeks ago, our food, especially the blue food, was identified. So, we think that even though we have all these challenges we can feel comfortable that Tobago is still a destination that people would like to go to. And when we have all the challenges that confront the growth ironed out we can look forward to a very positive outlook on the destination as a tourism preferred destination.

**Mr. De Freitas:** Okay. I also want to go back to a statement made earlier with regard to not having a name brand hotel on the island. I do remember, I think it was a month or two ago that there was a hotelier who showed some interest in Tobago. Now, I do not want to preempt that discussion because I do not know where it is, but I think for the general public and the nation at hand, at least you could indicate if it is positive or, given what you all said before with regard to needing that name brand hotel on the island.

**Mr. Sandy:** I just want to say that—I know the Chairman might not want to hear these words—the discussion with that interested person continues.

**Mr. Al-Rawi:** Mr. Chairman, it is difficult as members of the Executive with knowledge that we have to sometimes be a little restrained, but permit me to say insofar as it has been opened, that the Office of the Prime Minister which has taken direct responsibility for improving Tobago situation, is in fact very busy at work with an international large brand entity in respect of which publicity will be had soon.

Secondly, the capacity for electricity in Tobago has been dealt with by way of approval by the Cabinet. Thirdly, the water solution is being dealt with. And fourthly, the airlift situation. These are the large impacting factors which have not been attended by successive Governments for a very long while. So, the difficulty in restraining oneself is sometimes a little hard. But insofar as that horse has bolted, I felt compelled to put some of that onto the record.

**Mr. Chairman:** I am certain the public will be very appreciative of the efforts that are being made, certainly the Tobagonian population. But, having said that, what impact is the land licence issue impacting upon—the same thing— attracting these international brands to the country? It that an issue—

**Mr. Al-Rawi:** Unfortunately, Mr. Chairman, that falls under my portfolio as Attorney General

**Committee Member:** You better go on that side.

**Mr. Al-Rawi:** Yes Sir, that is a little odd, but I am just declaring the position, because that is something that the AG's office is working on right now, again, which has sat down for a very long time without solution, and which I would have the full details of, but we are near the cusp of that end. There has been a significant amount of work exercise, so I do not know if it is fair to put that question across there. I apologize.

**Mr. Chairman:** Okay. I got a submission where somebody termed Tobago as being a tired destination. Is that a fit description to give of the situation that is currently held by others in the community?

**Mr. Sandy:** At the risk of getting the negative response from some of the operators on the island, I do not think the destination is tired, we might have some tired properties, we might have some tired persons, we

might have some tired – but the destination itself is not tired.

**Mr. Chairman:** I would put it in the context why they determined it as being tired. Because they said there was a lack of attraction for direct foreign investment hence being considered as being tired, a tired destination because there is no growth.

**Mr. Sandy:** Well, in the context of your definition maybe I can agree with you. Tobago really needs a fillip, an injection of –

**Mr. Chairman:** An impetus of some kind of new energy.

**Mr. Sandy:** Yes, new energy and so on. I think the destination is ready for that. It might have tired people.

**Mr. Smith:** Riding on that point, Mr. Chairman, I saw in your submission, late, but it was well done, page 9 when you spoke about the marinas, and this is something just coming off with regard to waking up and livening up the island. I too have gotten several requests from the boating industry under sport, and I see you all talked about establishing two locations and so on. Do you know exactly where and what kind of time frame that may be again? And will you all definitely need central government involvement in that, or is it something that you all will be doing on your own?

**Mr. Henry:** Thank you for the question. The whole idea of a marina in Tobago is very critical. We understand that, because we have a situation where yachties visit the island and the whole thing is unregulated, and as a result we do not know what they are bringing, we do not know how they dispose their refuse. So, it is definitely unregulated. Last year around May 6<sup>th</sup> a proposal for a marina was sent to the central government, and that proposal was sent, I think it was by Tobago Plantations, to develop a 50-boat marina close to Lambeau, and among other facilities, of course. And our information is that that document was sent to the then Cabinet for discussions and was referred to the Finance and General Purpose Committee of Parliament for further deliberations. As a matter of fact, my information further is that it was even recommended that the Government should have a majority shareholder in that entity. After that we have heard nothing about it. So, we are hoping that with the new dispensation, that efforts would be made to develop a marina on the island, because it is absolutely necessary.

**Mr. Al-Rawi:** Mr. Chairman, again, the embarrassment prevails, the Cabinet has the –

**Mr. Chairman:** Mr. –

**Mr. Al-Rawi:** I know.

**Mr. Chairman:** Mr. Al-Rawi, I think you better go on that side. [*Laughter*]

**Mr. Al-Rawi:** Insofar as put this way, the Ministry of Trade is in fact in the course of dealing with the issue of not one, but several marinas – I believe it is up to four – in Tobago right now. But, it is only insofar as imparting information that this opportunity now presents itself. So, just to resonate a position, but also to plug a hole that has just been put forward, it is not that nothing is done. You see, the difficulty in this situation is that the opportunity to perfect something requires policy, which is then approved, and then operationalized.

It is for that reason for instance that I would remind that the approval for the improvement road to Toco, which has already begun by the Ministry of Works, leading to the port from Toco to Tobago to deal with the service issue of employment on the island, is a significant benefit to the problems that the THA is facing. And that is, of course, something which central government has already approved. So, these are articulating factors which impact upon some of the answers that are being given.

**Mr. Chairman:** Okay. Thank you for that again Mr. Al-Rawi. I saw something on the last occasion, I think it was brought on by your submission, where there was a concern concerning the supply of local agricultural produce Tobago's hotel which was quite astonishing. You said that the menu offered by hotels in Tobago do not require much local produce so there is little demand on the local farmers. Now, I found that a bit startling as well, given the fact that on the last occasion I think it may have been Mrs. Adams



spoke about identifying some of the tourist attraction to Tobago. One was cuisine. So, if cuisine around culture and festivals are a big focus of the tourism drive in marketing, it is quite difficult to reconcile this being identified and articulated by you all, I think on the last occasion, that the hotels, because of the menu, the cuisine that they offer, it does not require a great input for local farmers, local produce,

**Mr. Henry:** I wonder where you got that information.

**Mr. Chairman:** This is what I got from you all on the last occasion. Yes?

**Mr. Henry:** From the Division of Agriculture or the Division of Tourism you got that?

**Mr. Chairman:** From the Division of Agriculture, yes. Now, if that is in fact so, how is that being addressed? I mean, because I will want to believe if you are coming to my country, one of the things you want to come – apart from, as you said, Tobago is being uniquely marketed not only in sun, sand and sea, but culture, cuisine, and festivals, so this to me is something significant. If you are coming to stay in a hotel and you are not going to be getting the local cuisine, then how do you reconcile the drive with what is happening if in fact it is so?

**Mr. Henry:** Well, while we are tourism, you do recognize the linkage between tourism and agriculture. I think that the fact that is coming from agriculture, that agriculture would be the person who has to sit and decide how that should be addressed. I remember at the last submission from agriculture when you were in Tobago on the last occasion they had mentioned the problem that they were having with reliability and quality. And I think the agricultural officer also spoke about their intention to establish cooperatives so that they could have producers' cooperatives who would sort of conglomerate the produce from agriculture and then feed the industry. But I think agriculture would have to be the one who would –

**Mr. Chairman:** I see it as a bit more fundamental than that. If you are a hotel and you are presenting a cuisine, you are creating an ambience, you are creating the different activities and experiences to come to the country, why would the Ministry of Agriculture or the Division of Agriculture be the person fundamentally concerned with that. To me that would be more for the Division of Tourism to deal with engaging or encouraging local hoteliers to have a menu that reflect the culture or the creativity, the cuisine. I mean, that is something that Trinidad and Tobago is known for, the variety of our cuisine experience.

**Mr. Sandy:** But, Chair, I visit quite a bit of the tourism outlets and restaurants and so on in Tobago, and I can vouch for the high degree of local content in the meals provided. So, my anecdotal research suggest that that information is not – I am not in agreement with that information at all.

**Mr. Chairman:** That came from your Division of Agriculture while we were in Tobago on the last occasion, eh. I was reviewing the notes and that is what jumped out at me.

**Mr. Sandy:** As Mr. Henry indicated, perhaps it goes towards the issue of quality and so on. But, the majority of the hoteliers in Tobago, the local content used is fairly high, in fact we almost boast about it.

**Mr. Chairman:** Okay. Mr. Solomon.

**Mr. Solomon:** I would like your comments on a statement I am going to read:

Tobago has not inspected and registered as THA approved any of its accommodation providers for the past four years.

Is that correct?

**Ms. Ramnarine:** If I may, the answer is yes to that question.

**Mr. Solomon:** Why is that?

**Ms. Ramnarine:** That is because we are supposed to have a TTTIC programme, as we keep going back to, and that has not been ironed out yet with the division and the Bureau of Standards, as far as I am aware. But we do have advisory visits where persons from the division go to properties and inspect, and give advice concerning the properties on measures that they should adopt in terms of improving the physical plant.

**Mr. Solomon:** So, that failure for the past four years, how does that reflect or impact on Tobago as a destination?

**Ms. Ramnarine:** Well, of course that will have a negative impact, because we do not have a standardized plant in terms of the accommodation sector. But I do know that some of the properties, the larger properties, they try their best and they have the star rating, but they have a certain standard. They have tried to maintain a standard. And they also have the associations which work together to keep a certain standard.

**Mr. Solomon:** So, what is THA doing about it?

**Mrs. Brooks-Adams:** As I said earlier, at present there are truly no TT registered properties on the island, and I explained also that it was due to the fact that the arrangement was one that calls for the engagement of the TTBS. After I mentioned the last time that there are no—and I am going back to that word—regulatory framework as far as licensing of properties are concerned. I know now that the Government in collaboration with the Tobago House of Assembly are in collaboration with preparing a document which will be a national tourism policy on tourism product development on the island.

**Mr. Solomon:** If I may, Sir? All right, what we are dealing with is the failure to inspect. But, leaving that aside I wanted to move on to the customer service level at the hotels and guest houses in Tobago. What is your opinion of it?

**Ms. Ramnarine:** Well, the level of customer service—when we conduct surveys and so at the research unit the level of customer service has been poor throughout the island.

**Mr. Solomon:** Poor! And what sort of impact do you think that has on Tobago as a destination, and what are you doing to improve it?

**Mrs. Brooks-Adams:** At the moment the Division of Tourism has been used in the roving caravan for creating awareness on the benefits of tourism and the need for improved customer service in targeted areas. We are now in the process of rolling out an island wide initiative via electronic media and community to provide buy-in on how tourism impacts on their lives. There is also a small tourism enterprise programme that provides training, and they have been providing training in all aspects of tourism in Tobago, and most recently they have rolled out a charter programme where they trained taxi drivers and small operators in various aspects of service delivery.

As a matter of fact, for the nine months that they trained the taxi drivers, they have trained them in customer service, how they react, how they interact with the visitors, et cetera, and they have started a charter which will—the programme is now towards the end and we will launch the charter on June 14<sup>th</sup> and this will inform us as to how we are doing as far as training in the tourism industry services are coming along, or how far are we getting towards improving the situation of the service level delivery.

**Ms. Ramnarine:** But customer service should not be under—the Division of Tourism should not be solely responsible for improving customer service, the stakeholders also have to provide training as well to their employees. So, it has to be a holistic effort, it cannot be on tourism alone.

**Mr. De Freitas:** I just wanted to ask one final question. Looking at the submission that you guys gave, I noticed for the festival of carnival and Tobago Heritage Festival that the general trend is that international arrivals as well as domestic arrivals have increased from 2011 to 2015, and I am wondering with regard to the private sector and some of the events that they have, if you all have any data with regard to such, which is international arrivals as well as domestic arrivals for events—for example, there is a beach soccer event in November, BagoSports puts it on, and I know for a fact that they have a lot of teams from all over the world that come. If you have any data regarding—or specifically around that weekend, if we have a bumper international arrivals or domestic arrivals, and if you guys are going to work with them in the future, given that it is a private organization, to sort of increase the size of these events towards increasing

international arrivals and domestic arrivals?

**Ms. Ramnarine:** Yes, we gathered data on a monthly basis, both domestic and international, so we do have the figures.

**Mr. De Freitas:** So is it that just as you have it here for carnival July/August 2011 to 2015, would you have that data from, let us say, 2011 to 2015, around that time? And do you know – I do not know if you will have it on you right now – if there has been an increase in international arrivals and domestic arrivals during that event? That is just one of the events, I know there are others.

**Ms. Ramnarine:** We track all the events that Tobago has and, yes we always see a spike whenever there is an event that occurs on the island.

**Mr. Chairman:** Just one final question, I guess, coming from here, and finally I think I have a question most suited for Mr. Henry [*Laughter*] which is, I understood that one of the vessels between Trinidad and Tobago was taken out of commission recently. We are coming towards, I would want to believe, a heated period for transportation between the twin island. What provisions are being made or have been made, and if they have been made how is it working so far?

**Mr. Henry:** Yes, Mr. Chairman, you are right. The TT *Spirit* is out and for a good reason. It is one of the two vessels on the inter-island ferry, and that vessel needs serious refurbishing, the seats need to be changed, also the carpeting, et cetera, and they will be using the opportunity, I think, to do dry-docking at the same time. Now dry-docking is required as you know, because in order to keep their insurance current, the Port Authority has told us – they have indicated – that during the period June 1<sup>st</sup> to July 1<sup>st</sup> the vessel would be out and as a result they would be doubling up on the sailings of the other vessel, the TT *Express*.

**Mr. Chairman:** One?

**Mr. Henry:** One, yes. They will be doubling up. That vessel is supposed to be back on July 1<sup>st</sup> and we hope that that would happen because, you are quite right, July/August is serious peak period where people travel a lot between the islands, and we really hope that that vessel would be back and in good condition, good working order, in time for the holidays.

**Mr. Chairman:** But Mr. Henry can some other additional accommodation be made, because to rely on one vessel, should something happen unfortunately, there is a breakdown, that would be a chaotic situation in terms of people getting goods and services to be ferried across there. I mean, really.

**Mr. Henry:** Yes, but that is the reality. But if it happens, then I guess the only alternative for the people who decide to travel by sea would be to use the slow cargo boats which take forever to get to Tobago. And what would normally have to happen though, there must be some sort of a communication between the Port Authority and Caribbean Airlines so that Caribbean Airlines can, as far as they can, put on extra flights between the islands to accommodate.

**Mr. Chairman:** Yes, but is only taking care of one thing. I mean, those who can afford the airfare. But, what about the water taxi? I think the last time you all spoke about the water taxi being used?

**Mr. Henry:** That is an alternative, but the water taxi was used for a specific period. It was during the Easter holidays when unfortunately they had removed one of the vessels just around Easter time. And you know what happens around Easter time? We travel between the islands. So they were forced to put on the water taxi, but during normal times like now, if they remove the water taxi, then I am sure it would disrupt the travel between San Fernando and Port of Spain, of the users of that water taxi.

**Mr. Chairman:** But, at least, in San Fernando you could use the roads to get to and from Port of Spain. [*Laughter*] I do not expect people to swim across from Trinidad to Tobago with their goods. And I am not being facetious in saying that, eh. I mean, this is a serious concern, because this is not a planned dry dock schedule? Is it planned or this is an ad hoc?

**Mr. Henry:** It is planned.

**Mr. Chairman:** So, why proper alternative arrangements have not been made?

**Mr. Henry:** Well, let me say that—I am not trying to defend them—there is never a good time to disrupt the service between Trinidad and Tobago.

**Mr. Chairman:** No, I appreciate that, but you may have something to put in place that may be appropriate.

**Mr. Henry:** Yes. But if it comes to that I am sure that they would look at the water taxi as an alternative, because it has been done in the past.

**Mr. Sandy:** Mr. Chair, can I also add that the issue with respect to the dry-docking of the fast ferry, is not so much the cargo, is more passengers, there is adequate capacity on the cargo vessels to treat with cargo to Tobago, that is with the *Warrior Spirit* and the *Super Fast Galicia*. Those two boats that we refer to as the slow boats can take care of the cargo movement between Trinidad and Tobago. So, it is really about passengers when you remove the fast ferry.

**Mr. Chairman:** Okay, thank you for that. Any member?

**Mr. Solomon:** If I may, I understand that the THA purchased the Manta Lodge and Sanctuary Hotel which is, from what I understand, two failed tourism projects. Could you tell me about the cost for that and what your plans are to revive it and make a failed tourism project into a positive tourism project for the country?

**Ms. Toppin:** In terms of cost, the THA spent \$32 million to purchase both properties. Currently we are working assiduously to revive the properties. There were a few teething issues. I think we have mostly gone past that, and what we are looking at now is in terms of financing. Now, because of the time that the properties were purchased, there was no financing from central government, but the THA in its wisdom have actually reviewed the financing provided to us and we have actually made those two properties priority projects, and we are now expecting to very soon start the repairs and so forth for those two properties.

**Mr. Solomon:** How much is it going to cost, and what do you plan to get out of it?

**Ms. Toppin:** Currently there is an estimated cost of about \$68 million to bring the two properties up to operational standard.

**Mr. Solomon:** And would you benefit from it? How is the country going to benefit from these completed projects?

**Ms. Toppin:** There is going to be an additional 80 rooms to the island and, yes, we know that more could be provided, but that is one of the THA's initiatives or ways of contributing more rooms to the island. So, we expect about 80 rooms would be available.

**Mr. Chairman:** Luxury rooms, what standard rooms?

**Mrs. Brooks-Adams:** We are hoping that the properties would be managed by, after selecting a suitable brand through regional and international advertisements, and similar to the model of Hyatt and Hilton, so that it would immediately have international branded hotel.

**Mr. Chairman:** Now, can I ask who principally is undertaking the refurbishment of those properties?

**Mrs. Brooks-Adams:** E-IDCOT.

**Mr. Chairman:** UDeCOTT?

**Mr. Sandy:** E-IDCOT.

**Mr. Chairman:** E-IDCOT, which means? E-IDCOT or UDeCOTT?

**Mr. Sandy:** E-IDCOT means the Eco Industrial Development Company of Tobago. It is one of the state companies.

**Mr. Chairman:** Now, is accommodation being made specifically in refurbishment of those properties so that the differently-abled persons would be accommodated?

**Mr. Sandy:** Bro. Chair, I think the answer has to be, yes.

**Mr. Chairman:** You think, I want you to be more—[Laughter]

**Mrs. Brooks-Adams:** The answer is yes, because it is one of the requirements of internationally recognized brands.

**Mr. Chairman:** Okay, well that is encouraging to hear. Mr. Sandy and Mr. Henry in particular, and other members, I would like to thank you for presenting yourselves before us in Trinidad. We thank you for coming. We are sorry that we had to make the change in schedule, but we can assure you that the next opportunity you are to be with us again, we certainly will be having it in Tobago. At this point in time we would like to suspend—before I close, if there is anything Mr. Sandy would like to leave with the Committee, as well as to the listening public, on this morning’s session, please do so.

**Mr. Sandy:** Mr. Chair, I just want to thank the Joint Select Committee for having us again, and for giving us this opportunity. For me it is not just an opportunity to come here and answer some questions, it is an opportunity to also take a look at ourselves and see where we have some deficiencies that need to be remedied, and I can certainly identify a few of those that we need to change some of the ways we have been doing business and so on. So, I really want to thank the Committee for bringing to the fore some of the issues that perhaps we did not take a look at before, or perhaps we took a different kind of look at them. So, I really want to thank the Committee for their input, and certainly the deliberations here would certainly assist us in managing better the resources that are entrusted to the Tobago House of Assembly, and I sincerely want to thank the Committee.

**Mr. Chairman:** Thank you very much. At this point in time we will take a five-minute suspension of the proceedings so that the Tobago Tourism and Hotel Association can take your place. You are invited to exchange places and remain for the session that will follow. Thanks.

**11.48 a.m.:** *Meeting suspended.*

**11.53 a.m.:** *Meeting resumed.*

**TOBAGO HOTEL AND TOURISM ASSOCIATION**

|                         |                        |
|-------------------------|------------------------|
| Mr. Chris James         | President              |
| Mr. Carlos Dillon       | Honorary Director      |
| Mrs. C. Birchwood-James | Vice-President         |
| Ms. Kaye Trotman        | Associate Member       |
| Mrs. Shirley Cooke      | Secretary to the Board |

**Mr. Chairman:** Ladies and gentlemen, we would like to reconvene and commence our second half of this hearing. *[Pause]* Good morning ladies and gentlemen again, we are now starting the second session of this hearing and we would like to welcome the Tobago Hotel and Tourism Association, and thank you for making your submissions, and we are glad to have you here before us today, to be of some assistance to this Joint Select Committee. With that – well, you were here in the public gallery, so I do not think we need to reintroduce ourselves, but we would appreciate you introducing yourselves, starting with Mrs. James.

*[Introduction]*

**Mr. Chairman:** Thank you very much. Mrs. James would you like to have a short open statement to us?

**Mrs. Birchwood-James:** Thank you, Mr. Chairman. The Tobago Hotel and Tourism Association is thankful for the opportunity to participate in this historical event as we seek to present a holistic picture of our tourism industry in its present incarnation in Tobago. It is believed that the team before you would provide a broad view of the present situation.

The Tobago Hotel and Tourism Association is an autonomous body and is not a branch of any chapter in Trinidad, including the Trinidad Hotels, Restaurants and Tourism Association. It represents 95 per cent of the tourism product on island. There are 10 elected board members representing all sectors of this industry, and has a membership of 102 businesses, making the association the largest non-governmental organization on the island. As an association we focus on assisting our membership in all

areas that affect the operation of their businesses.

The intention at this hearing is to advocate for interventions which we believe can bring much needed relief from the downward spiral the sector has experience since 2007. It is hoped that this hearing would be the beginning of meaningful collaboration that rebounds to the benefit of all: private and public sector, the people of Tobago, the Tobago economy, and the economy of Trinidad and Tobago.

Mr. Chairman, we thank you for the opportunity, and we await you and your Committee questions.

**Mr. Chairman:** Thank you very much. We have the first question coming from Miss Ramdial.

**12.00 noon**

**Miss Ramdial:** Thank you very much. Welcome to the Hotel and Tourism Association. In your submission you spoke a lot about the marketing strategies, and about recommendations that you would have sent to the THA over the past couple of years, outlining a three-year plan to encourage foreign-direct investment. Do you want to expound a little bit, because we would have heard from the THA earlier about FDI?

**Mrs. Birchwood-James:** Yes, I am going to ask Mr. Chris James, our President, to answer your question for you. Thank you.

**Mr. James:** Yes, the Chamber of Commerce, previous chairman and myself and Mr. Neil Wilson, came up with a plan, a three-year plan, to kick-start the industry. Ever since the land licence was introduced in February 2007, well, we lost 12 projects; 12 projects were halted/stalled there. We have suffered to get investment and, of course, with our occupancy and rate being much lower than the rest of the region, even when we have encouraged investors to come and have a look, they have not been interested because there is no encouragement there.

So the document we presented had improved incentives as the THA said. The incentives we have now from the Tourism Act of 2000 are not comparable, are not competitive with the rest of the region, and we need to improve those. The idea of the three-year kick start, was to do something for a short period of time, to generate that interest, to get that investment to give us the level of rooms that we need. We realized that we need 2,500 quality rooms in Tobago, to attract year-round tourism to Tobago. That would give us five originating destinations to give two aircraft a week, and that would give us sustainable tourism destination year round for Tobago, because we would have the Trinidad market as well, to fill that shorter period. So we could be the only countries in the Caribbean that had year-round tourism if we market this correctly, our Trinidadian event during the summer periods when we lose our high end tourists, when we would not get the foreign exchange. So we could really have a year-round, tourism destination if we do this. We do that kick start, because of the land licences, it caused a tremendous distrust and we lost credibility.

**Mr. Solomon:** So in your opinion where we at in terms of rooms? And how would amending the land licences, how would that impact? Would it be a tremendous impact positively on the industry?

**Mrs. Birchwood-James:** Mr. James is going to elaborate on that.

**Mr. James:** Yes, basically we have, as I said, we have about 1,000 tour operator quality rooms. I just wanted to clarify the situation with the rating system. It is true that there is no international, recognized, common international rating system. North America has one system. The European countries have a different system. There are different variations. When I was on CTL board, we actually tried to look at a regional system, but none of the countries could agree on a regional system.

So there is no international standard system, but what there is, is the tour operators that use the hotels have to star rate those hotels to sell them. So the list – and it can be done on two bases. Increasingly, it is being done on green issues, issues that affect sustainability, green issues. So for instance, just to give you an example, so it is fully understood. With Virgin, it is a bronze, silver and gold leaf; that is what they

give you. So that is their rating system, and they will come in and give you that rating system as well as a star rating system that suits their guests.

So, for instance, in the UK, which the majority of our international guests come from, those tour operators would go to Magdalena, Coco Reef, all of the hotels in Tobago, where they have tour operator contracts, and they will rate them in a star rating. If they were coming from America, there may be variation in that rating, but it is not a big deal. That rating is not a big deal. The problem we have at the moment is that we do not have enough rooms, So we have roughly 1,000 rooms that are of tour operator quality. Some of them still need renovating. We have some excellent rooms in Tobago, but we still need renovation, and that is why we had the refurbishment programme and pushed for different things to happen, because again, it is very difficult. The banks are not cooperative, when they look at our rates, and look at our occupancies being on the decline for 10 years. So it is not easy to convince the banks.

If we have an additional 1,500, which is in the CEDP Plan – this information, we will then, in our belief have five originating destinations, meaning Europe, UK and Scandinavia and that limits our risk. At the moment we have far too much risk on the UK market. When we were busier, 67 per cent of our guests came from the UK, so we are far too dependent. If there was a problem in that country, we would suffer. So the ideal thing is to have 20 per cent risk in five countries, and then if things change, we can vary our marketing. If a country had a bad time, we just push our marketing to a different direction and get more people in.

**Mr. Chairman:** In terms of – you say the refurbishment, was there not a fund set up by the Government, to deal with assisting your membership in refurbishing their rooms and so forth? Is that still in existence?

**Mrs. Birchwood-James:** Yes.

**Mr. James:** Let me do it. Yes, there is a fund. It is not operational for two reasons. There are two funds, three funds; in fact, there are three funds. There was a fund, just a rebate fund, that the TDC operates. It took us a long time to get that over the water to Tobago. It actually took us four years and even though that was applied in Trinidad, we could not get it into Tobago. The problem we have now is people actually do not have the money. We are doing so badly in terms of occupancy and rate. We do not have the money to do the rebate. So the idea is that you get 25 per cent rebate of up to \$60,000 per room, but the hotels just do not have the money to do that one at the moment.

The second one was 50 rooms and under, a guarantee by the Government. A fund was set up at \$250 million –

**Mr. Chairman:** Central government or –

**Mr. James:** Central government – \$250 million, but again, when the banks look at the business plan, we had, as I said, back in 2005, we had 88,200 international visitors. Last year we had 22,234. They are not keen to – in fact, we just had a recent experience this morning, but they are just not keen to do it.

So that 50 rooms and under, the programme is not working, and then the other fund, is part of the kick-start programme suggestion, was 50 rooms and over or expansion of existing – substantial expansion of existing hotels, was going to be a Government guarantee, and that was going to be done through the Exim Bank as well. So that was going to be a guarantee that was coming in, an investor will come in and the Government would guarantee the project financing up to 51 per cent, I believe it was. So that never materialized, that stalled completely at the Ministry of Finance.

**Mr. Chairman:** Wow! The last fund you have just identified there, you said that was stillborn?

**Mr. James:** It was stillborn, yeah. Basically, the reason it came out of the private sector, because that request came out of the private sector – the previous administration, because of the damage we saw that the land licence had done, because all these projects were stalled and all the confidence had gone, we needed something to rebuild that confidence. So we thought the guarantee – for a period again, because we were

asking not an indefinite thing, we were asking for a period, just to get one or two hotels started. We thought the guarantee would help. In fact, that was the advice we got from the different investors. If there was a guarantee, they would have come in. Our belief was if we could have gotten two or three hotels started, we would have started the ball rolling, and we could have interested people, to say, “Oh, things are happening in Tobago now, let us get moving”, but at the moment, it is just stagnant. We have had no movement of foreign-direct investment into Tobago.

**Mr. Chairman:** Tell me something, in terms of the land licence issue, is it that you must – the investor must be able to own the property, or he can have a lease or something like that? If you are leasing, would the land licence require to also get a licence or you can come in with somebody? You must be an owner of the property?

**Mrs. Birchwood-James:** From what we know, is that there is a history behind the land licence or there is a philosophy behind the land licence. The land licence was to, more or less, regulate how foreigners buy land in Tobago. There was a regulation, but they were not following it, okay? So there was an amendment in 2007, where, if you wanted to buy land in Tobago, whether –

**Mr. Chairman:** As a foreigner?

**Mrs. Birchwood-James:** – for commercial or private, you had to obtain a land licence. You did not have to do it for Trinidad, but definitely for Tobago. What happened – so questions like lease and so on, did seem to arise because if you know the land history of Tobago, most of the land is freehold land. So it is not leased like is common in Trinidad.

**Mr. Chairman:** From a freehold, you can get leasehold, eh.

**Mrs. Birchwood-James:** Well, I am sure, but that was not factored into the land licence. So we had that land licence passed in 2007. It took about three years for the process to be organized, meaning, that you could not apply for a land licence if you were a foreigner until 2010, yes.

What we do know is that about 10 licences have been issued. Up to today, around approximately 10, but we can tell you, that a lot of damage was done to the Tobago economy, the Tobago hotel industry from that licence. Why? What was the message sent? One, we do not want foreigners to invest. Two, we do not want foreigners at all. So that has been part of the reason we do not have any foreign-direct investment at this time, as well as we have a problem with our arrival numbers.

**Mr. Chairman:** Mrs. Birchwood-James, with the greatest respect, right? The question I asked is the impact it has – I mean, must you be an owner?

**Mr. James:** Let me answer that question. It is not so much having to be owner, if a five star 200-bedroom hotel can cost anywhere between US \$150 million to US \$200 million to put down. There are going to be no vagaries over any investor that wants to put that property down. They are going to want complete ownership of that land and property.

**Mr. Chairman:** If I may, I do not want to engage in a real property tutorial here, right? *[Laughter]* Or as such, but you have 99-year leaseholds in properties, in many properties, and that is just as good as a freehold. I think Mr. Al-Rawi wants to add something, sure.

**Mr. Al-Rawi:** Mr. Chairman, I am compelled to enter –

**Mr. Chairman:** Again. *[Laughter]*

**Mr. Al-Rawi:** Again. The laws of Trinidad and Tobago have to be factored in context. There is a system of regulation for property ownership, and there is a system of registration. Historically, Tobago has had two significant issues hit it. One, the state of the titling in Tobago is nothing short of a glorious mess. The ability to obtain a root of title in Tobago is often a very difficult task. Separate and apart from that, you have the issue which was at one point a very dominant issue, which was the complaint by Tobagonians, that they were being left landless, because foreign investors were coming in and taking too fast an



acquisition of Tobago property.

The system of licencing happens in two ways. There is a positive licence or a negative licence. Under the foreign investors' provisions which prevail in the rest of Trinidad, you applied to the Ministry of Finance for a licence. Once you have satisfied the application, not the approval, then you are fine. That is for ownership of shares in companies and for lands of certain sizes.

In the Tobago experience what happened was, a positive licensing approach was adopted, which was that you had to have a licence in hand to then acquire, but when you put that into the background of the Tobago titling issue, and then the operationalization of a system, there clearly was an impact and problem, in having the speed with which things go, achieve muster.

However, I have understood the team to be speaking to another factor as well. Licensing may be point one, because a central government could easily intervene and as it is right now, in ensuring that a \$200 million investment is fast-tracked. Licences happen as they are supposed to happen, as it is now happening.

However, the appetite by bankers spread across that particular table, between large, medium and small, does not only hinge upon your security. When we have been talking about land, it is with respect to securitizing the loan, to put down a hotel. A guarantee is a form of security which would appease a bank. If the loan goes wrong, I have something to hold on to which is the guarantee or the land; that is one issue. The appetite also depends upon the ratios.

Your business plan to allow you to pay your instalment, because banks are not in the business of selling land or acquiring land through failures of projects. So the ratios of profitable businesses obviously is an impact, and what I am aware of, is that the TDC Division had a problem in how it rolled out the benefits by way of support in Trinidad versus Tobago. Because it was centralized in Trinidad, there was a problem in effecting the supervising and efficiency in Tobago; that has now been disaggregated.

So that Tobago can be facilitated by the THA which is familiar with the ground, and can allow for that investment to hit where it is supposed to hit, as opposed to having it done in Trinidad, which had no understanding of how Tobago worked. So the point was needing to re-craft the system, to get it to be efficient. The laws are there and they can work, the question is the efficiency of the law. So an administrative restructuring had to happen, and I am pleased to say that that had recently happened.

**Mr. Chairman:** Well, thank you very much for that explanation. *[Laughter]* I am sure our panel here would be quite heartened by that, yes?

**Mrs. Birchwood-James:** Yes, I think Mr. Al-Rawi was talking about the Room Upgrade Programme. Yes, that started in Trinidad in 2009, and up to today, Tobago has not been able to benefit from it. We understand that a Cabinet Note was recently passed. So it is now in operation in Tobago.

**Mr. Chairman:** Thank you very much. Miss Ramdial?

**Miss Ramdial:** Thank you very much. In your submission you mentioned that Tobago has never really had any consistent destination marketing, and this would have contributed to the decline in tourist arrivals to the island. Can you tell us from your perspective as the association, as to how we can go about trying to increase visitors to the island, with respect to a marketing strategy?

**Mrs. Birchwood-James:** Yes, I am going to agree with your statement here, that is part of the problem. We have not had consistent marketing events occurring as far as Tobago is concerned, but we will allow Mr. Carlos Dillon, a veteran hotelier to elaborate on that.

**Mr. Dillon:** Yes man. The marketing of a destination is a very important and exacting thing. What has happened to Trinidad and Tobago is that the Government would put aside some money for marketing the destination, but then the timing of the funding has been a problem, because you have to wait on the budget, and you do not know whether you will get the amount that you have put aside or you say that you would

need for marketing, and by the time you get that money, it is too late.

In other words, let us take an example. If you have to do marketing for your winter season, at this—now is June, it is too late. You must know that you have to do your marketing way up front, so that the gestation period would be in place.

At one stage in 2003, when we had the problem, when our occupancy went down to 17 per cent, we pleaded with the Government and they put aside a rolling fund, where you could have drawn down the amount as you see fit, because you know exactly what you want, and when you need to put the money in place, so that in the foreign marketplace, so that you would get the best results. That moved our occupancy from 17 per cent to about 60 per cent, because it worked. We had the money rolling over.

**Mr. James:** Okay. Let me just jump in very quickly, because I think Kaye wants to say something. Two things, yes, we have never—agreeing with the THA earlier, we have never put enough money, Trinidad and Tobago has never put enough money into marketing the destination. We do not get anywhere close to the other regional destinations for marketing the destination. We are still unknown. Trinidad and Tobago is still unknown. When we go to world travel market, ITB, we know that the others are doing a better job than us. We have suggested many things in the past. I just want to reiterate, because it is the time to do it. We are in Parliament.

We have suggested as other islands have done, the 10 per cent room tax that we collect on behalf of the Government, other destinations put a portion of that percentage room tax into a marketing fund, for their tourism authority to have consistent marketing. Just to emphasize on what Carlos was saying. We have to have 12 months ahead of time the marketing funds we need for the following year, because everything changes, it is very dynamic. This industry is very dynamic, and our presence has to be felt very early. So our solution was, we could do what others had done. We would have two tourism authorities, one Tobago, one Trinidad, and we would use that money, that room tax money, a percentage of that room tax money. We now understand the challenges the other islands had. We now understand why it could not be done here. That 10 per cent goes into the Consolidated Fund, and the other islands have separated a percentage of that fund. So that is our suggestion to the solution of this. We would then have marketing ahead of time. As the tourist industry grows, that money will become greater to increase our competitiveness.

**Mrs. Birchwood-James:** Mr. Chairman, I want to say, and agree with the Tobago House of Assembly, our marketing funds are totally inadequate. If we look at figures that we are using, the Tobago House of Assembly from research that we have done, they have about TT \$30 million for marketing Tobago. The TDC markets Trinidad and Tobago and they have another TT \$40 million.

When we did our research, and people are keeping their figures sort of secret, but from what we can get, in 2014, Barbados added US \$50 million, added to their marketing budget. So obviously our marketing budget is wholly inadequate. Our research shows that we need to start with about TT \$300 million to start marketing. Remember, this is a twin-island destination, Trinidad and Tobago, and you are talking about Tobago. So we are wholly inadequate concerning the market. So we need to have an increased marketing budget. Other than that, we are not showing that we are serious about tourism.

Remember, we are looking for foreign exchange. We are export earners as hoteliers, which we all are here, and therefore, you have to spend the money to market. Everybody asks, “Where is Trinidad and Tobago on *CNN*, *BBC* all the magazines?”—but that is the reason. If we are spending \$80 million and that is a figure on the upward end, if we are spending \$80 million on marketing, and we hear that Barbados has added US \$50 million to their budget, then, you know, there is no comparison. So we must show that we are serious about the tourism, especially in this time. This is a time we need to up the ante, and we must increase that marketing budget.

Ms. Trotman here just wants to say something concerning that room upgrade that Mr. Al-Rawi mentioned.

**Ms. Trotman:** Okay, yes. Thank you very much, Mrs. Birchwood-James. While we go back to that room upgrade, and I just want to make a pin for what Mrs. Birchwood-James said, marketing cannot happen absent of room upgrade, or the plants being improved. So both would have to happen at the same time, and I would think that this two-year period 2016–2018, is a very critical time where we have to actually stop, hold the position that we will be doing room upgrades, and we will be doing certain marketing, and we will be addressing the land licence, in order by the end of 2018, you would see the kind of momentum to go forward, but this is a critical point at which we have to do something.

So going back to what member Al-Rawi was saying. For the smaller properties especially, and given that whole land licence, the land tenure issue in Tobago, it becomes very disheartening for small properties, because we are not in a position to do any bit of upgrade, and if you are at an administrative level, making that one of the eligibility criteria to access the fund, there is no way then, that you can help develop your smaller properties.

So that you may have a lot of Tobago properties, and if we understand what the small properties are, 10 rooms and under, these are extensions of your homes, extensions of places that may have been handed down to you from grandparents. You are currently in the process of either RPO or administration that takes a long period. But at the same time you have the business prowess and the entrepreneurship spirit embedded in you, that you are taking the chance, but the environment does not allow you to go beyond a certain level. Therefore, it challenges a particular niche in the Tobago market; that small property experience; that home-stay type of feel; that indigenous food experience that we all go for. We cannot fully develop that sector, because the enabling environment does not allow.

So while the larger properties have their own challenge with land licence, the smaller properties have their own challenge, with how do we access appropriate financing, in order to do the level of expansion? So it calls for a level of collaboration and discussion that goes beyond just THA meeting with central government to iron out certain things.

The discussion needs to be the private sector and all the players in the private sector, with the THA and central government to come up with the solutions. And I would dare say through many of the reports that we would have done, there are inklings of solutions there, what we need to now discuss is, are these things workable now? Or how can they be tweaked to work in the time period that we find ourselves in, with the two year, I would say, critical turning point that we have, if we have to go ahead and make the industry survive?

**Mr. Chairman:** Thank you for that. What impact would you say – there is a concern that the THA takes up about 75 per cent of the working population, and deprive the private, you know, certainly your sector of employees. How significant or severe is that a situation?

**Ms. Trotman:** At least from the small—I would tell you from the small properties, it has been a real challenge in the sense that, how can I compete with a Government, CEPEP Programme or DEWD Programme or URP Programme that pays \$80 for a half day work, and then you have to come to a hotel or the small property environment to give a full day's work, at probably \$120 an hour? There is no comparison.

So it has created an environment that people can work at less challenging jobs for relatively more money, than the sector would need. So we are – the Government I would say – let me put it the other way around, the public sector is competing with the private sector, for the valuable human resource that we need. So unless we could come up – if the public sector wants to still be involved and to find a way to transition out of it, we would have to find a way where public sector releases some of those persons,

whether through a half and half programme, they pay half of the salary, we pay half of the salaries of these people, and get them out of the public sector, into private sector especially during peak periods. I think, Mr. James – because I know this was a pet project to his heart, can elaborate on that one a little bit.

**Mr. James:** Yes, what it is, some of the islands had done this, and it applied to islands that had a bad term like we had with the low occupancy. It is very difficult for us to compete with wages with the public sector, but what they had done in some of the destinations, they have set a bar of occupancy, usually 60 per cent as the occupancy you look for in a hotel to start making money. Once you have gone past the 60 per cent mark, you start making money.

So what they do, they pay half the salary, like an OJT type programme, they pay half the salary and until you reach 60 per cent, and that would ease people out of the public sector dependency jobs into a more equalized – and we could train during that period. St. Kitts has done a fantastic programme like this which helped them. So there is a programme we can do that is very similar to that, and it is right across the board, I mean, it is not just hotels restaurants, it is the banks, everybody has had trouble. The shops have got signs forever. If you go to any shop in Tobago you will see. I think, Shirley Cooke –

**Mrs. Birchwood-James:** Ms. Cooke would like to say something, Chairman.

**Ms. Cooke:** Yes. I do agree with everything that is said in here with my colleagues, but I want to address briefly the marketing issue, with respect to – yes, I agree we need more funding, that is no question. However, when we look at the two areas where the Tobago House of Assembly has marketed Tobago, and we actually had those airlines pull out or cancelled, and they spend money marketing those areas, which is the Apollo flights, and the GOL flights. Those are moneys that was expended marketing destination Tobago, but yet, we noticed those airlines have failed, they have actually pulled out.

We need to find out why that is so, and there are many times that this organization had actually asked for participation on the Airlift Committee. We need to know the areas in which the Government, THA is actually going to market Tobago. We need to have an input because even though they spend those marketing dollars in areas, it ends up usually those airlines pull out of the destination, and increasing the marketing budget will fail us if we do not look at the markets that we are seeking to bring visitors to Tobago.

**Mrs. Birchwood-James:** Chairman, I just want to elaborate on what Ms. Cooke had to say concerning the Airlift Committee. There is an airlift committee that is supposed to be in Tobago, under the Tobago House of Assembly. In years gone by, the private sector had two members, one from the Chamber and one from the Tobago Hotel and Tourism. In the last five years, that has not been so, and what we want is to go back to the original idea of having this airlift committee, and having private sector sit in on the committee. This is one of the recommendations that we are going to be asking for. We need to make an input. We need to know what is going on. What airlines you are talking to? And we need to make an input in the coming of these airlines as well.

**Mr. Chairman:** We hear you.

**Mrs. Birchwood-James:** Thank you, Mr. Chairman.

**Miss Ramdial:** With respect to the labour shortage that you experience on the island, the fight with public sector businesses, private sector in Trinidad here, we have had thousands of job losses in recent times. Would you be open to having Trinidadians come across and work in the hotel and tourism sector?

**Ms. Cooke:** Yes, of course.

**Mr. James:** There is a challenge with it, but let me just interrupt quickly because this is a burning topic. There is a cost in housing these people when they come over, additional cost, at a time when we can least afford it. So we have talked about putting, “kinda” starter-home accommodation in Tobago, so we can actually do this kind of thing, but there is a cost and other islands have had a challenge.

We do have Trinidadians that work. They come over but, in fact, one of the things we wanted to

do with the hotel school, was to have it as the last year finishing school for the hotel association, for the hotel school in Trinidad. So they would get leisure experience which they do not get so much of in Trinidad, and that we would get workers there. Of course, we do not have any dormitory accommodation at the hotel school either. Sorry – [Laughter]

**Mrs. Birchwood-James:** Chris wanted to get his point across. Yes, but we do welcome people from Trinidad to come across, because we as Tobagonians, we find work in Trinidad, and jobs in Trinidad as well, and we have to find our own accommodation. So we welcome them, who are interested in the tourism industry, and they are willing to work, especially those who have gotten training and so on. We welcome them. They can contact our association if they need jobs, and if they are qualified and positions – are jobs in the industry.

**Miss Ramdial:** Thank you.

**Mr. Solomon:** Through the Chair, I was wondering what your views were on the way that the THA has been marketing, there seems to be an emphasis on festivals and the like. Spending \$65 million on the Tobago Jazz Festival which, I think, amounted to a shortfall of \$48 million, and then the Heritage Festival which, I believe, is another \$12 million. It seems a lot of money being spent on these festivals, and I just wondered what your opinion was. Is this money being well spent? Do you see the benefit in it long term, short term?

**Mrs. Birchwood-James:** Thank you, Mr. Solomon, for your question. I think all of us are going to say a little bit about it. I can start off by saying that, yes, some of the festivals, we welcome them, but it is how you advertise. For the jazz festival, I am going to say that we need to be there at the beginning. You have a committee and who selects who are the celebrities/entertainers? We are not at the level. We want to be at that level from the start, to say who are the entertainers coming? Okay? Because when you had the Plymouth Jazz Festival, as the THA alluded to, listen, in January, I was President at that time. In January of those years, all our hotels were filled. The one or two we would send out an email, two or three would say, “Well, look, we still have a few rooms”. At the end of January, all the hotels were filled and remember the festival is in April.

So it is who you bring. How you bring them, and not only that, you have to advertise a year in advance. It means that now we are in June, we in the third of June, we should already have an idea of who the entertainers are, and we should already be advertising, because people have to make arrangements to want to come.

So they have year – and remember, we should be talking about Jazz 2018, at this point in time, not even '17; '18 is what we should be talking about, and '19, not '17. All arrangements should have been made for '17. We should have been able to tell you, Mr. Chairman, and your Committee, who is coming for '17 in case you would like to come, and so on, and all those abroad, there are a lot of people who are listening abroad as well, so that we need to advertise earlier. We need to make a long distance, or what should we say? – a long time frame. We have to do Europeans, okay? – they do two, three, four years in advance. We need to adopt the same thing. We need to target our marketing and so on, and we need to have the good entertainers who we will attract, and our hotels will be filled like how we had the Plymouth Jazz Festival. Mr. James, you want to say your part?

**Mr. James:** Yes. I do, very quickly because I know time is running out. [Laughter] A couple of things, yes, we had an oversight committee for the jazz festival, but before we actually got to a conclusion, it was disbanded, and this is one of the challenges we have with the stakeholders meeting we had in Tobago as well. We have made a lot of decisions. We had heritage trial – the thing set up. We had the beautifying of Scarborough. We went through a whole branding process with overseas branding agents which came down. We spent days, I think it was five days, eight hours a day going through this, the private sector

involved with THA, only to find that the brand that we chose, was not chosen in the end. So there is some attempt to working with the private sector, but it is not followed enough. It is disheartening because we hate the brand we have now, the logo we have now, none of the private sector likes it.

So we have gone that extra mile in all our efforts to get these things done. As Carol Ann said, we do want to—the very latest we should be marketing jazz in world-travel market, is in November, because the foreigners book their holidays. If you had come to most of the holidays, you will find that it is mainly Trinidadians, mainly Tobagonians. We get very few international guests coming, because of the late advertising, and that applies to all the festivals.

So to get the foreign exchange, which I know the Government want us to get, we need to do ahead planning. We can do this. Tourism can be a great asset to this country. It is the fastest industry in the world. It is the largest employer in the world. We can play our part in Tobago and Trinidad can play its part, in generating this foreign exchange that is needed, and foreign-direct investment that is needed, and we just want the opportunity.

**Mr. Chairman:** How would you define the relationship between the THA and your organization?

**Mrs. Birchwood-James:** Well, I would say we have a very good relationship. It is a friendly relationship and so on. There is no antagonism. We are all in the business of tourism, but here is what, when they make their decisions, they make their decisions without us. For example, I listened to member, Mr. Al-Rawi talk about the mariners, but where is the private sector in this discussion? There are private sector people who own property, who own seaside property, or who own property surrounded by water. Where is the discussion with the private sector? We have an input, as far as we know the State is to facilitate. We are to do the work, and therefore, it means that we must be part of the discussion wherever it is, whether it is jazz and entertainers coming, whether it is the mariner, whether it is your marketing, your destination marketing, whatever it is, we have to be part of the equation. I think that is the element that is missed. So when you call us to speak or you call us to be a part, you have already made a lot of the critical decisions, and we are just following instructions and obeying orders.

**Ms. Trotman:** If I were to add one, Mr. Chair—

**Mr. Al-Rawi:** Sorry, just before we ran too far ahead. I wish to fully endorse the comments just made, and to clarify, lest you run away with the wrong impression.

Now, there is a disadvantage in that I do not sit on your end of the table, so I cannot get to expatiate on all the things that I would like to, [*Laughter*] but your comments are so spot on and so useful, allow me just to address it this way.

The process of decision making starts with something coming to a Cabinet for a policy position. That policy then becomes an actionable item by certain entities, and in the course of actioning, for instance, the private sector becomes involved. The RFPs go out to private sector, to say this is an approved policy, it would like to be performed, the view is either a public/private partnership arrangement or a Government-backed guarantee, et cetera. So please do not run away with the point that it is a fait accompli. What I said is that the matter is before the Government's consideration now, and that it has not been dealt with previously, and let me make it clear, by "successive" Governments.

The second point is that, I am aware that the THA is certainly not the only entity involved in marketing. Let us make it clear. It is the TDC and the THA where the spending is, if I could put it this way, has been for Trinidad and Tobago traditionally what we call nickel and dime spending, expecting big results. So let us call a spade, a spade.

I am aware that the Minister of Tourism is under the supervision, by way of assistance of a prime ministerial appointed committee, to deal with the improvements to the marketing arrangements for Trinidad and Tobago, in a fashion that has not been the previous fashion. Permit me to be a little nebulous

because Cabinet's approval for this has not yet happened, but suffice it to say, that the positions made so clear by no less an entity than private sector entities that drive, and are required to drive the economy, as one of the main contributors, have been heard and the obligation of the Government is to enable, and that enabling will be done with consultation and participation of the private sector, but that there will be a process to get there, and that process must be efficient. So permit me that small intervention.

**Mrs. Birchwood-James:** Thank you, Mr. Al-Rawi, yes.

**Ms. Trotman:** I wanted to make one comment to you. You asked about one word to describe the relationship, and I would say that one word is not just the relationship between the private sector and the THA, but all the relevant tourism organizations, the TDC, the Ministry of Tourism. I would like to say it is dysfunctional. While we do have a relationship, we do respond to their questions and to concerns and to working together. It is still dysfunctional, because at the end of the day, it does not achieve what the public authorities want, nor what private sector would desire to see happen.

We would think that at the level of private sector on the ground, we will experience the day-to-day drama and, therefore, be able to work out what may be necessary to go forward. We then take that to the THA. We do not expect solutions from the THA on all issues, but what we expect, the issues that they can solve, let us sit and solve them. The issues that they cannot address, we expect them to fashion with us, the format that is necessary to take it the level up. And then that lobbying would deal with whatever issues on the national scale it needs to do, but I think we are stuck at that initial level. The relationship and the flow, private sector to the THA initially, gets stuck somewhere because there may be the impression that we think the THA can solve everything. They cannot solve everything, but we expect them to champion the cause of private sector, and we are there to support them, because it is what we brought to them that needs to be looked at to make the industry function better.

So it is not that we are putting things in their hands and leave them to fight the case. We will be there backing them, but we think when we take things to them, they need to fashion those things in the format that is necessary to go up the ladder, if they are not things they can address.

**Mr. Chairman:** There is a question—you all have been here this morning and you all have participated when we were in Tobago. The focus of the THA in terms of marketing for the tourism expansion of the rooms and so forth, it seemed to be focused on the luxury aspect of it. Is it in line with you all, or you all are on a different level, a different end? You all are at the middle and the lower end or you all are on the same trajectory as the luxury type?

**Mr. James:** Mr Chairman, what we actually need, as other islands do. We need the full range of products. What we do not have is the four and five star, the top end, four star and five star. We have a couple of four stars, and we also need couples' hotel. We need a children-friendly hotel. There is a whole range—yeah, a differently-abled hotel, [*Laughter*] which I promise we will make happen.

**12.45 p.m.**

So, yes, we have to have that range, and we have to have that number to get the economies of scale. There are just two things that we did not discuss, the reason the market has changed airlines now—I heard you ask the question about direct airlift, it is not direct, it is nonstop.

**Mr. Chairman:** That is right.

**Mr. James:** We do not have nonstop airlifts, and, therefore, we are competing. This is why our destination marketing money is so important. We do not have—all our flights are shared, so the islands we share with are St. Lucia, Barbados, Antigua, who all market more than us therefore we get a smaller proportion of those flights. And to get this whole thing working we need the full range of products that allows airlines to come, because their economies of scale have changed in the last 10 years with crude costs and things. So that we get at least two aircraft from each originating destination because they have switch crews, and all

this, it is very costly for them.

So we need two aircraft to wait to come to Tobago from the UK, from Scandinavia, from Germany, Canada, America, and then we have a product of two and a half thousand rooms, the full range of products, which you could imagine when you are actually looking at a brochure in a very cold climate, like where I used to live, you are looking at things that tick the boxes for you, which might be different to you and to you. Going back to your comment, because my phone has not stopped ringing since you made it, it is not that Tobago is the fastest growing destination, it was this region was the fastest growing destination in the world. This is the most tourism dependent region in the world, the Caribbean. It grew by over 7 per cent last year, just a fraction of 7 per cent last year when the world average was only 4.2 per cent. The rates that you quoted earlier were correct, we are the fastest growing tourism destination in the world, 28.7 million people came to this region, 28.7, and they spent over US \$30 billion in this region. That is what they spent; that is not the investment they brought in.

So this is a really worthwhile industry to be part of, and if we can just get 2 or 3 per cent of that – Trinidad and Tobago gets 2 or 3 per cent, I think it may be a maximum of 4 per cent of that regional tourism. We only get that tiny fraction, and with the oil and gas price the way it is and the problems that we have, there is no reason we could not have had both years ago, but let us now focus on getting tourism, getting a bigger share. Let us say for 5, 6, 7 per cent of the tourism share and let us get some real money coming in, and give people careers in the tourism industry so they can work up. Another reason for having a choice of hotels is that they work up, they start in a two star work until three, four and five; for the moment they all leave Tobago, they will go to London or somewhere – I am told to shut up.

**Mr. Chairman:** I have just a quick question. This is a quick question before we close, if there is a priority in terms of the resources to be deployed right now in improving the product in Tobago, would it be – the emphasis should be placed on improving the airport first or the stock of rooms?

**Mr. James:** Everything together. We need everything.

**Mrs. Birchwood-James:** Both. Mr. Chairman – Mrs. Cooke, you would like to answer that quickly for the Chairman?

**Mrs. Cooke:** Well, we need both. It is so critical in Tobago –

**Mr. Chairman:** I know you need both, but if you have to get which one you think will be the more – I mean, because I did hear one of you all saying this morning that Virgin Atlantic or Virgin Airlines pulled out because of the inadequacy of the airport terminal and some other airline. You said it was one of the main reasons, not that – you still have a stock of hotels are not being filled right now to over 60 per cent capacity all the time. So would it not stand to reason that the airport probably may be the project that needs to be emphasized on in terms of if money is a concern right now?

**Mrs. Birchwood-James:** Well, yes, we would agree with you here in that our airport there is no first-class lounge, that is the first thing, you know, and if you have like two flights coming in, immigration is processing people on the tarmac because –

**Mr. Chairman:** Yeah, there are no figures neither, eh.

**Mrs. Birchwood-James:** Right, that is correct, you understand me. So that we would say the airport, but Mrs. Cooke wants to elaborate a little bit.

**Mrs. Cooke:** Yeah, I mean, we will say the airport is the first thing the visitors see, that is the welcoming sign to the destination, so we will say the airport, but at the same time, there are so many things that need to be fixed that is has to be a multifaceted approach to fixing Tobago's tourism. I need to say this though, all the moneys that we spend on marketing, on airlift, on bringing people to destination Tobago, we need to look at the internal challenges we have in Tobago on the island. There are several things that need to fix. There is a lack of confidence among the people in Tobago in this product.



Even though I heard the Division of Tourism speak about a roving caravan, and all that, there is a lack of education on the benefits of tourism, and also that feeds into the reason why customer service is so poor on the island. Everything has to be fixed and it has to be fixed now. We can no longer sit back and have these discussions, there were several reports, there were several discussions that have been had over the years, and it is time now that we no longer sit and discuss these things but try and implement them.

**Mrs. Birchwood-James:** Mr. Dillon would like to say a little—I know, Mr. Chair.

**Mr. Chairman:** Will he be your closing remarks?

**Mr. Dillon:** Yes, Mr. Chairman, this is a bit of a peeve for me because I always mention it at the end of every meeting like this, because in 1995 the ARA Consultants did a document which was –

**Mr. Chairman:** Do you want to tell us the meaning of that acronym?

**Mr. Dillon:** A tourism plan for Trinidad and Tobago.

**Mr. Chairman:** Who is the ARA?

**Mr. Dillon:** That is the name of a Canadian company.

**Mr. James:** It was a consultancy.

**Mr. Dillon:** A consultancy company, they spent about two years doing this plan. The plan was eventually accepted by the then Mr. Manning's Cabinet. Today, as we speak here, some of that plan, the Tobago part of it has not been touched, relatively speaking. The Trinidad part of it is being worked right now, like, for instance, the development of Chaguaramas, the development of this area here, the development of Maracas, the whole question of the local tourism, like the people up in, somewhere around Toco, the turtle watching, and so on, and so on. So if you step back a bit and just go look at that 2020 Vision, the tourism subcommittee, the 2020 Vision, took most of its work out of that ARA document. Everything is there. There is nothing missing, except to tweak it, as one of my colleagues said before. Let us look at it, tweak it so that we would not be reinventing the wheel.

**Mr. Chairman:** Mr. Dillon, do you have a copy for us?

**Mr. Dillon:** Excuse me?

**Mr. Chairman:** Do you have a copy for us?

**Mr. James:** It is 500 pages. We are a very poor organization.

**Mr. Dillon:** But if you look at 2020 Vision subcommittee on tourism is 155 pages.

**Mrs. Birchwood-James:** Mr. Chairman, we will get a copy to you.

**Mr. Chairman:** Okay, thank you very much, we will appreciate that. Let me, at this point in time, thank you, and bring this session to a closure. I mean, it has been very engaging. I am sure all the members here and the listening public have been enlightened by a number of issues raised by you all, the fact that it was only raised as issues but there were some suggestions of remedies to address the situation, which is very appreciative, and we certainly will be taking those comments on board when we sit to deliberate and make our final report.

So on behalf of my Committee I would like to thank you for coming. I would like to also thank the members of the media. I would like to thank the viewing public, in particular those in Tobago who I am sure are probably fixed to their screens following this intently, and we look forward to our further engagements again on a next occasion. So on behalf of myself and my members, thank you very much, good afternoon. So I declare this session adjourned.

**Mrs. Birchwood-James:** Thank you very much, Mr. Chairman, and it was a pleasure being here.

**Mr. Chairman:** You are welcome. **12.58 p.m.:** *Meeting adjourned.*