

BHTA pleased with new measures

Chairman of the Barbados Hotel and Tourism Association Steven Austin has given a thumbs-up to measures in Wednesday's Budget that favour the hotel sector, but wants to see the shared accommodation sector also bearing some of the weight of taxation.

In his address to the first BHTA meeting for the year, one day after Prime Minister and Minister of Finance Mia Mottley announced a decrease in the VAT proposed for the sector next year, from 15 per cent to 10 per cent and increased room rate levies on hotels from April 1, Austin thanked Government for listening and responding positively to the industry's concerns.

"We are heartened by the dialogue and commitment by this Government to really listen to the industry's concerns," the BHTA head said at the Hilton Barbados meeting and called on the



Chairman of the Barbados Hotel and Tourism Association Stephen Austin (right) and chairman of Barbados Tourism Management Inc Sunil Chatrani (left) listening while CEO of the BHTA Senator Rudy Grant delivered his report yesterday. (Pictures by Sandy Pitt.)

membership to do their part in helping Government to "stay the course" while the island fought its way back to a firm economic footing.

In addition to raising the VAT rate to 7.5 per cent in last year's **Mini-Budget**, the Prime Minister had also imposed other levies on the hotel sector, introducing room rate levies on "B" Class hotels and Apartments, "A" Class hotels and luxury hotels. She announced in the Budget Wednesday that those room rate levies would be increased by 75 per cent effective April 1, 2019. Rates for vacation rental properties and villas have also been increased, and Austin urged his membership to be "in full compliance with registering, charging and collecting as well as

paying over the levies to the Barbados Revenue Authority'.

Like the BHTA's chief executive officer Rudy Grant, Austin gave a hint of concern that the ten per cent levy imposed on the shared economy accommodation providers such as Homeaway and Airbnb in last year's **Mini-Budget** had still not gone into effect. While introducing the levy on all fees charged for the shared accommodation at that time, the Prime Minister had said: "It should be noted that this sector does not pay VAT on accommodation services and it is our belief that most providers fall below the threshold of VAT, hence we believe this to be the fairest solution". (GC)

BIPA: More details needed

The Barbados Investors and Policyholders' Alliance (BIPA) is pleased a final payout to CLICO policyholders is going to be made.

But before they jump for joy, they want more details on how Government intends to conclude the matter.

In a statement Wednesday night, BIPA president June Fowler said the association was "relieved that this desperately sad affair is finally coming to an end. However, the devil is always in the detail, so clarity is paramount for us and our members".

Fowler was responding to Prime Minister and Minister of Finance Mia Mottley's announcement in the **Financial Statement and Budgetary Proposals** that CLICO policyholders would receive cash payments – some in full as well as bonds.

Mottley said a maximum of \$20 000 would be paid to life insurance policyholders

which would allow 8 944 individuals or 77 per cent of them to be paid in full immediately. An additional 1 394 persons or 12 per cent would receive at least half of their claims in cash, and a further 697 persons or six per cent would receive at least 20 per cent of their claims in cash.

Cash payment

The move will result in 95 per cent receiving a cash payment that is substantially relative to their insurance claim. However, those holding Executive Flexible Premium Annuities (EFPAs) will get a special 15-year bond to cover their principal.

Fowler said the fact that EFPA policyholders will, as promised by the previous administration, receive their principal in full, albeit over 15, as opposed to the originally planned ten years, is of some comfort but the loss of interest was "another matter altogether".

"Our main concern at this stage is to get clarification of the exact details and how each and every class of policyholder will be treated. Also, given the advanced age of many policyholders, we will be hoping that provision will be made to enable transfer or trade the 15-year bonds," she said.

Fowler said BIPA would be seeking an urgent meeting with Minister in the Ministry of Finance, Ryan Straughn, in advance of the planned Town Hall meetings to get a full understanding of the details outlined by Mottley.

She said the only winner in the CLICO debacle was the Judicial Manager who was paid "substantial fees since 2011".

On the closure of ResLife, the company founded to pay out policyholders, Fowler said she was not surprised it was being closed as no effort had

been made to start selling insurance and investment products. (SP)

Bid to ensure visitors' safety

The rise of serious crime is causing concern to the Barbados Hotel and Tourism Association.

Chief executive officer Senator Rudy Grant said yesterday it would be pulling out all the stops to ensure the continued safety and protection of visitors.

Grant told a BHTA meeting at Hilton Barbados: "While it is acknowledged that Barbados is still considered a safe destination, all actions must be undertaken to control the issue of serious crimes which in recent months are more frequent."

The CEO said the BHTA continued to work with the Royal Barbados Police Force to which it had made a commitment of assistance, presenting crime-fighting equipment. In addition, it provided sponsorship for the purchase and installation of CCTV cameras on the West Coast.

Similar collaboration with the police had resulted in a safer St Lawrence Gap and Dover, a popular tourist hub where new, improved lighting was recently installed with funding support from the Tourism Development Corporation, Grant said.

Travel advisory

Recent incidents of what appeared to be an upsurge in crime prompted the United States authorities to issue a travel advisory to citizens visiting Barbados.

Grant said since safety and security continued to be "an important element of the Barbados brand" the BHTA's effort at maintaining that "image was paramount".

"Escalating criminal activity can jeopardise and railroad all the gains which Barbados has made as a tourism destination," Grant reminded his membership.

He also disclosed the BHTA had acquired beach uniforms for presentation to the Royal Barbados Police Force for officers who do beach patrols.

However he said legislation would first have to be passed to permit those uniforms to be worn. (GC)

What's in your Tank?



TUFF TANK

Tough and rugged dual-layered design
Unique Health Gard® safety lining
FDA approved polyethylene material
Facilitates safe storage of potable water

Available at leading hardware stores

ROTOPLASTICS
BARBADOS LIMITED

#25A Webster Industrial Park, Wildey, Barbados

+1 246-436-8265

www.rotoplastics.com.bb

