

CARIBBEAN TOURISM ALSO HIT HARD BY CORONAVIRUS



The coronavirus has hit many parts of the world – the Caribbean included. What concerns many businesses in the region is the impact on the biggest market segment – Caribbean tourism.

The past few weeks have been quite successful for the region regarding the tourism numbers. However, now the numbers have gone down drastically. **The number of guests in hotels and resorts are quickly decreasing and the cruise passenger traffic drops down by tens of thousands.**

Although the guest numbers at local resorts and hotels in Jamaica are still holding stable, predictions don't look good. Even though the islands in the region are thankful for the late spread of the disease, they are also worried over the nearest future and rightly so.

As the virus keeps spreading, countries are warning against cruise ships and any import of goods that might bring the virus into the country. The United States government had warned its citizens to avoid travels of any kind, as most states in the world have started placing the health of its citizens before anything, even their currency.

The Caribbean region faces a case of a major drop in GDP and the numbers are not looking good.

Scott MacDonald, Chief economist for the Caribbean at Smith's Research and Gratings has observed a fall and the likelihood of an even lower fall in the estimated GDP in the coming times.

"The real GDP growth for the Caribbean was set at 3.7 percent by the end of this year, but I presume the need to finally end the growth projection for good..... 2 percent or even lower" are his words on this issue.

Jamaican Tourism Minister, Edmund Bartlett also sees danger ahead as the Caribbean island has lost no less than 50,000 cruise ship passengers in the past weeks; a drastic \$4 million loss to the nation's economy. He holds fears that the losses could magnify in the next weeks as hotel reservations are already dropping.

Cancellations are flooding in and are about to be a challenge in the Caribbean tourism region. Tourists seem to no longer be interested or willing to travel both for holiday and relaxation. The majority of guests aged 45 and above are postponing their holiday; the younger ones are still a bit more willing, but even then, the numbers don't look good.

The region is in a fragile situation due to the fact that the countries don't have the financial safety net that other nations such as the United State are likely to provide to sustain their citizens during this period.

While cruise passengers account for 75 percent of foreign visitors coming into the Bahamas, they only account for 11 percent of tourist spending. Destination travelers still make up for the major percentage of income and there is the hope that still bringing in the funds.

While the number of cruise ships is reducing, guests are still trooping in at major hotels and resorts in the Bahamas such as Baha Mar resort. There are still anticipations for good business at the local resorts especially in the coming Easter as the numbers of advance bookings have not reduced noticeably.

In 2017, Barbuda, Bahamas, Abaco, Antigua, and the great Bahamas were affected by the hurricane and are still trying to recover from the losses. Now, they are faced with another life-threatening situation - 'coronavirus'. This has led Bahamian officials to ask Bahamians to vacation locally.

The effect of this announcement can be felt in the words of Bahamian tourism minister, Dionisio D'Aguilar who reports that 5.4 million foreign visitors came into the Bahamas by cruise last year, and there is no doubt that the new order will have a massive impact on tourism.

What the island is currently experiencing is a delicate balance between the economics and health of the nation as officials have turned three cruise ships away, because they feared that passengers on board had flu-like symptoms.

Like many countries around the world that has their nation dependent on a particular source of the nation's income, the Caribbean has the cruise passenger's as the second most dependable source of the nation's economy.

Prem Mantani, chief operating officer of the cruise port duty-free shops Jewels and Time has asserted that 60 percent of its business comes from the cruise ship. According to him, sales at one location dropped by a massive 50% last week and with staffing, expenses and payables to consider, things don't look too great.

As it stands, Jamaica's tourism sector is set to lose an estimated \$564 million due to the virus even though they have only 2 confirmed cases and have banned travels to and from China, Italy and other countries.

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