



Dr Allan Hawke AC
Cruise Ship Access Review Secretariat
RI-4-B163
Russell Offices
Department of Defence
PO Box 7901
Canberra BC ACT 2610

Dear Dr Hawke,

RE: Independent Review of the Future Use of the Royal Australian Navy's Garden Island facility by visiting cruise ships

I am writing to you in support of the above review. Tourism Tasmania is a key stakeholder in the Australian cruise tourism industry and works collaboratively with the Tasmanian Ports Corporation, Hobart City Council, Burnie City Council and Port Arthur Historic Site Management Authority to develop, promote and optimise the economic and social benefit of cruise tourism to Australia and our State. Tourism Tasmania is an active member of Cruise Down Under and works closely with its member ports, cruise ship and shore excursion companies to ensure the continued development of the industry.

Over the past 10 years Tasmania has seen a 14.5% growth in the cruise tourism. The cruise sector estimated economic impact for the 2010-2011 season in Tasmania was:

- Worth a total estimated economic output of \$14.3 million;
- Contributed direct expenditure of \$7.8 million;
- Generated 76 full time employment positions.

(Source – CDU/AEC group report)

Whilst these figures are significantly down on the previous year, the 2011-2012 season looks promising with a scheduled 70 cruise ship visits to Tasmania.

Tourism Tasmania identified the development of a Three Year Cruise Tourism Strategy, 2011 - 14 as a key element of its 2010-2011 Annual Operating Plan. The Cruise Tourism Strategy identified four critical areas that the key tourism stakeholders and industry need to focus on to ensure success:

1. Port, Tender Port and Anchorage infrastructure
2. Port costs and charges; being competitive and delivering a world class port experience is critical to working long-term with the cruise lines
3. Capacity and capability of the Tasmanian tourism industry to deliver; i.e. future planning for increased cruise ships to the destination and capacity of the cruise ships

4. Existing and new product that has the capacity and the ability to work with the cruise lines and Inbound Tour operators. The time frames for planning are generally two to three years in advance.

Whilst the above points are specific to Tasmania's situation the issues of points 1 to 3 are relevant to all cruise destinations and most importantly to Sydney. Also customer research undertaken by the cruise ship companies identifies the inclusion of Sydney Harbour in the itinerary is a key factor in the decision to book an Australian cruise. Additional ship deployments from Holland America, Royal Caribbean Cruise Line, Mediterranean Sea Cruises, Princess Cruises and Costa Cruises are scheduled through 2012 and 2013. Cruise tourism is the fastest growing sector of tourism globally and Australia, as well as appealing to the international markets, it is also regarded as a good source market for the potential of "home porting", thereby seeing increasing numbers of Australians taking cruise holidays.

The social and economic benefits of this growth tourism sector are well documented, the challenge to ensure continued commitment and support from the cruise companies is vital. The need to ensure adequate berthing in Sydney Harbour, east of the Harbour Bridge, is a critical component of this.

Tourism Tasmania fully supports the independent review of enhanced cruise ship access to Garden Island, understanding that due consideration will be given to ensuring a long term solution to the issue of berthing east of the Sydney Harbour Bridge.

Yours sincerely



Tony Mayell
Chief Executive Officer
Tourism Tasmania

27 October 2011