

CRUISING

It's more than the Summer
Cruise Season in Sydney



**BUSINESS
SYDNEY**


CARNIVAL
AUSTRALIA

BUSINESS SYDNEY

Business Sydney is the voice for business in Sydney. We advocate, influence and deliver policies and outcomes to drive economic growth and create opportunities to invest, work, live and visit our city. For nearly two hundred years, we have worked to advance Sydney as a global, competitive and liveable city.



Carnival Australia is part of the world's largest cruise company, Carnival Corporation & plc. It represents seven leading cruise brands in the Australian and New Zealand market – P&O Cruises Australia, Carnival Cruise Line, Princess Cruises, Seabourn, Cunard, Holland America Line and P&O Cruises World Cruising. Together, they account for more than 70% of the cruising market in Australia, bringing joy to millions of guests.

Acknowledgement

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Foreword

At Business Sydney, we are proud to count Carnival Australia among our members.

Business Sydney was among the first organisations to support the resumption of cruising and its return as an important contributor to our city's economy.

Thank you to Marguerite Fitzgerald and the P&O and Carnival Australia team for inviting us as guests on board P&O Cruises Australia's Sydney-based ship, Pacific Adventure. It is important to remember that Carnival Australia accounts for seven cruise lines — P&O Cruises Australia (this year celebrating 90 years of cruising from Sydney), Princess Cruises, Carnival Cruise Line, Cunard, Holland America Line, Seabourn and P&O Cruises World Cruising.

As we meet today, Carnival Australia and its seven cruise lines are on the threshold of another spectacular cruise season. It's natural to focus on the peak summer cruise season but we shouldn't lose sight of an important point.

Cruising from Sydney is a year-round phenomenon with two of the company's ships — P&O's Pacific Adventure and Carnival Cruise Line's Carnival Splendor home ported in Sydney year round. This is a great foundation of economic opportunity for other ships based here seasonally or visiting on longer international voyages.

Many Sydney businesses and jobs benefit from our vibrant cruise sector and you will meet some of them in this thought leadership paper. Others will be sitting with you at your tables today.

Our message to governments at all levels and to the business community is that cruising's contribution to Sydney is real and has been for decades. It's a relationship that should be valued and nurtured.



Paul Nicolaou
Executive Director
Business Sydney

Just over 90 years ago, as the paint was still drying on the harbour bridge, P&O pioneered cruising in Australia delighting 1,100 guests with the very first pleasure cruise holiday from Sydney visiting Brisbane and Norfolk Island.

P&O's commitment to Sydney ever since has made this city the beating heart of cruising in Australia.

Our sister brands also have impressive histories with this year marking 48 years since Princess' first homeported season in Sydney; and Carnival Cruise Line celebrating 11 years of year round sailing from this wonderful city. Most importantly for Sydney, we are the only brands that sail year round from Australia.

This commitment generates thousands of jobs, requires tonnes of fresh produce and provides certainty to our suppliers and partners right across NSW which not only supports them directly, it helps position them to make the most of the summer season cruise boom.

And this year what a summer season it will be – we are on track for the largest cruise season ever in Australia, with one million people cruising nationally, over half from Sydney. It's not all local guests we welcome onboard. Last year Carnival brands, including Holland America Line, Seabourn and Cunard, brought 75,000 international tourists to Australia.

Ninety years is a long time to own and operate any business, and we're proud of P&O's home-grown heritage. Working with our partners across industry and government, we are proud to play a leading role in helping shape Sydney's future, because we know that a successful Sydney is a successful Australia.



Peter Little
Senior Vice President, Guest Experience
P&O Cruises

Built off P&O's 90 Year Heritage

Carnival Australia's Distinctive Difference

Carnival Australia, as the nation's largest cruise line group, holds an important distinction in its cruise operations.

It is the only cruise line group to home port cruise ships in Sydney Harbour on a year-round basis making its economic contribution a year-round phenomenon as well.

The spin-off benefits of having cruise ships doing full turnarounds in Sydney throughout the year are many and varied.

These include:

- Full provisioning of ships with hundreds of pallets of fresh produce and locally sourced wine
- Local port charges and towage fees for ship movements in Sydney Harbour
- P&O Cruises underpinning of White Bay Cruise Terminal's operational future
- Support for point-to-point transport operators
- Direct and indirect support for thousands of jobs





Pacific Adventure berthed at the Overseas Passenger Terminal in Sydney

Cruising a Virtuous Circle of Economic Opportunity

I have been associated with the cruise industry in Australia for nearly 15 years with signature restaurants on P&O Cruises Australia ships.

I know first-hand of the industry's positive economic impact.

Naturally, my particular interest is the amazing food that is served on board as part and parcel of the cruise experience.

To see what happens during a cruise ship turnaround in Sydney is a sight to behold.

It is routine for hundreds of pallets of fresh food to be delivered to the port for loading onto the ships.

It really is a case of food coming from the farm gate to the ship.

So, ultimately, it is the farmers who benefit from the cruise industry buying hundreds of tonnes of fresh produce along with wines from some of our best known vineyards.

It is a virtuous circle of opportunity and I am very proud to be a part of it.

Luke Mangan
Celebrity Chef
P&O Cruises Australia

"I know first-hand of the industry's positive economic impact."

Luke Mangan, Celebrity Chef



Cruising a Boom for Tourism Accommodation



Sydney has been a maritime city for generations and shipping has always been important to the hotel accommodation sector. In the modern era that role is fulfilled by cruise tourism.

Our member hotels always keep an eye on the official cruise ship schedule in Sydney.

They know opportunities are likely as cruise passengers often stay in the city before the start of their cruise and at the end of their voyages.

International passengers often disembark in Sydney and stay in hotels as an extension of their cruise holidays.

There is no doubt that cruising is an important generator of hotel accommodation business in Sydney and we support it as an association.

Michael Johnson
Chief Executive Officer
Accommodation Australia

Taxis Thrive on Cruise Tourism

Point-to-point transport drivers appreciate the value of cruising and the contribution it makes towards their bottom line.

A cruise ship coming into Sydney means hundreds of fare-paying passengers that otherwise wouldn't be there.

Our drivers enjoy the excitement of taking local passengers to their ships for domestic cruises and then getting them home again at the end of their holidays.

Looking after interstate and international passengers adds another dimension, where our drivers help visitors to discover and enjoy our beautiful city.

We want to ensure that the transport provided to cruising passengers is a



positive experience, end-to-end, taking 'transport anxiety' out of the holiday experience.

Our people missed the ships when they were gone and are very pleased to have them back.

Nick Abraham
Chief Executive Officer
NSW Taxi Council



Pacific Explorer
entering Sydney Harbour

Sydney's Potential is Great

Cruising is going through a renaissance worldwide and 2023 is forecast to bring record levels of cruise tourism to destinations around the globe.

Billions of dollars in investment are resulting in new ships, new levels of innovation and new advances in sustainability, making this an exciting time for cruising.

As Australia's gateway port, Sydney is uniquely positioned to benefit from a resurgent cruise sector. Sydney earns the lion's share of the \$5 billion-a-year economic contribution that cruising creates in Australia, supporting thousands of jobs across the metropolitan region.

Wherever we see destinations that are successful at shaping and developing cruise tourism, they are inevitably destinations with strong partnerships among the many working parts that make up a cruise community.

By creating close collaborations – among cruise lines, business groups, tourism authorities, governments, tourism operators, hoteliers, retailers and more – we can make Sydney and NSW one of the world's great ocean destinations and an economic powerhouse for cruise tourism.



Joel Katz
Managing Director
Cruise Lines International Association

The Fightback of a Five Billion Dollar Industry

Since cruising resumed last year with the return to Sydney of P&O Cruises Australia's Pacific Explorer, the cruise industry has been a tourism revival success story.

In barely more than a half-year of resumed operations, 457,200 Australians took an ocean cruise.

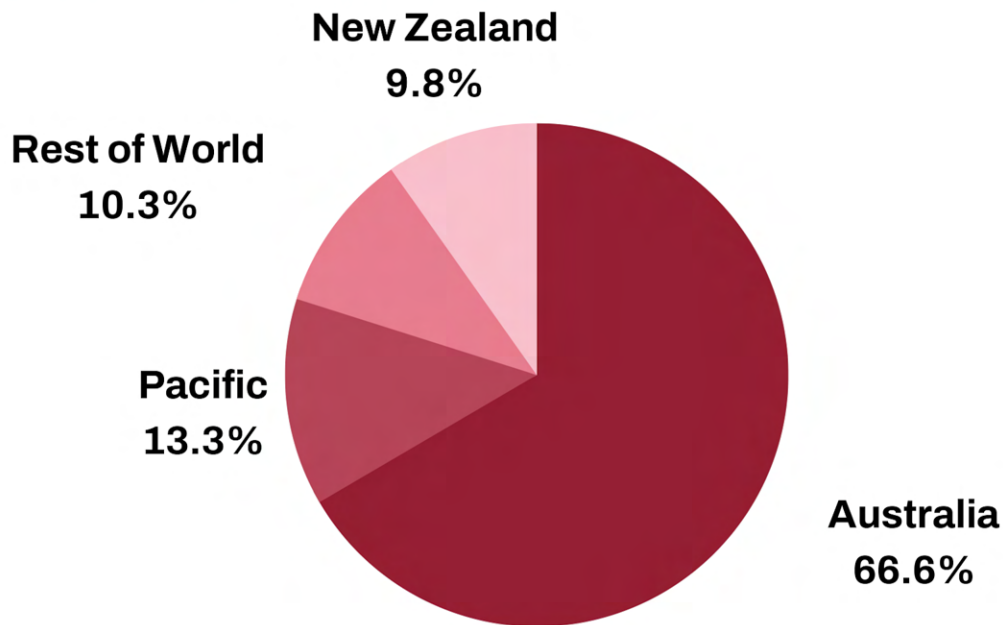
The industry was on course to return to previous levels where more than a million Australians were taking cruise holidays.

Prior to the suspension of cruising, the industry was contributing more than \$5 billion in economic activity. Two thirds of this was generated in NSW with much of that activity in Sydney.

Fifty-five per cent of the 457,200 cruise passengers in 2022 came from NSW with many no doubt residing in the Sydney area.



Where did Australians go Cruising in 2022?



Source: Cruise Lines International Association (Australasia).



Pacific Explorer
entering Sydney Harbour

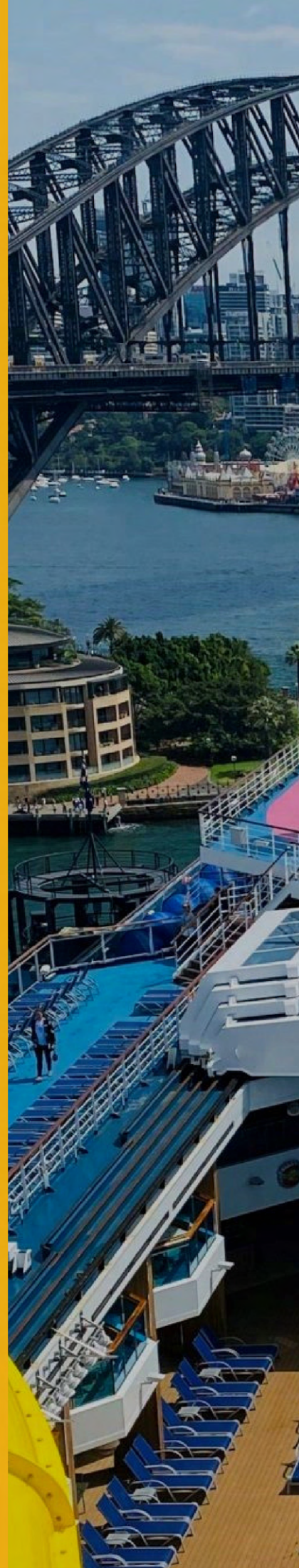
5 Point Plan for Cruising in Sydney

It is important that Sydney continues to benefit from the economic contribution of cruising.

Cruise tourism needs to be recognised at all levels of government as a net contributor to the economy. It will continue to do so while the operating conditions for success are met.

As a recognised contributor to the economy, the industry should be treated with respect.

With this in mind Business Sydney has developed a 5 Point Cruise Plan to help achieve this objective.





1

All levels of government should recognise that cruising is a positive contributor to Sydney's economic life and encourage it.

2

The NSW Government should conduct an annual forum with the cruise industry to review progress in continuing to position Sydney as the gateway to Australian cruising.

3

Make consideration and implementation of infrastructure improvements in Sydney Harbour to accommodate growth a key agenda item for the annual government-industry forum.

4

Conduct regular studies in conjunction with the cruise industry to identify and measure the economic contribution of cruising and provide transparency in relation to cruising's contribution to government revenue.

5

Fold cruising into the full Sydney tourism experience supported by professional international standard visitor information services including one centre located in The Rocks area.

Carnival Splendor berthed at the Overseas Passenger Terminal in Sydney

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