
MEDIA RELEASE

P&O's Australian cruise ship expansion to provide major boost to the accommodation sector – TAA

20 May 2014: Today's announcement by the Carnival Group that its P&O Cruises division will be bringing two new ships to be based in Australia year-round will bring significant benefits to hotels and the wider tourism and hospitality sector, says Tourism Accommodation Australia (TAA) Managing Director, Rodger Powell.

With the additional two ships, P&O will have five ships operating full-time in the Australian market from the end of 2015

"When cruise ships are in town hotels are full" said Powell. "Guests stay before departure and after arrival so this is terrific news for our members. This will benefit the wider Australian tourism industry as well, because cruise passengers have an important multiplier effect on the domestic economy, spending money on restaurants, shopping and sightseeing.

"In 2012-13 the estimated total output of the Australian cruise industry was valued at over \$2 billion, including direct expenditure of \$1.2 billion, a 20% increase from the year before. The growth in cruising will create jobs through expenditure by the operator, crews and passengers whilst at base and transit ports, and before and after the cruise. It is this sort of stimulus that will encourage investment in the development of new hotels and additional tourism infrastructure.

"Importantly, the expansion of P&O Cruises services will benefit both major cities and regional centres. For instance, the Sunshine Coast is looking forward to becoming a new destination for P&O Cruises, while the Gold Coast and Far North Queensland are actively considering upgraded cruise terminals.

"Work is underway on new facilities at Sydney's Overseas Passenger Terminal and discussions continue with Governments re access to Garden Island for the world's largest ships, like the three Queens. TAA recently took MP's to Asia to see what our competitors overseas are providing for their visitors and particularly inspected cruise terminals in Shanghai, Hong Kong and Singapore.

"It is critical that State and Federal Governments invest in internationally competitive cruise infrastructure and state of the art passenger servicing facilities to ensure we achieve a solid share of this high-value growth market.

"This announcement today is a tremendous vote of faith in the domestic tourism sector."

Tourism Accommodation Australia (TAA) represents the interests of the 24 Australian Accommodation Chains and some 1000 individual members in the Hotel, Serviced Apartment, Integrated Resort, Motel and Vacation Ownership sectors. Servicing owners, operators, managers, franchises and other industry stakeholders, TAA is a division of the Australian Hotels Association, a federally registered organisation of employers representing hotels since 1836.

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