

Department of Infrastructure, Transport,  
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## **Independent Review of the Coastal Trading (Revitalising Australian Shipping) Act 2012**

The Australian Travel Industry Association (ATIA), the peak body for a broad array of Australian travel professionals, welcomes the opportunity to contribute to the review of the *Coastal Trading (Revitalising Australian Shipping) Act 2012*. ATIA's submission focuses on the issue of how coastal trading regulation can be improved for passengers and the Australian travel and tourism sectors. ATIA supports the submission of Cruise Lines International Association (CLIA), in particular the recommendation that cruise ships, as defined under the current temporary exemption, should be added to the list of Section 10 vessel exemptions to ensure long-term certainty for operators and communities and foster sustainable growth.

The current policy settings exempt certain cruise ships from the Coastal Trading Act, through a temporary Section 11 Ministerial Exemption. The exemption has been instrumental in enabling the cruise sector's expansion, with the industry experiencing steady and sustainable growth since it came into force, including a substantial expansion of the locally flagged cruise industry. As a result, there have been significant flow on benefits for travel, tourism, job creation, and regional development. In 2022-23 the economic impact of cruise was more than \$5.6 billion, delivering 3.4 million passenger visit days to port cities and regional destinations around Australia, and supporting more than 18,000 jobs.

However, the need for ongoing renewals of the temporary Ministerial Exemptions creates significant uncertainty for a sector that has long planning lead-times. Planning needs to occur years in advance to establish arrival and departure schedules with ports, provide destinations with the notice required to facilitate on shore activities and take advantage of the tourism opportunities cruise brings, and allow preparation by others in the supply chain.

Itineraries also need to be confirmed to allow the sale of cruise products including by travel advisors, which is significant given that 73% of cruise travellers rely on travel advisors in their decision to book a cruise. The sale of cruises has been a significant driver in facilitating the recovery of travel agents following the pandemic, with the popularity of cruises meaning that some travel advisors now specialise in cruise travel exclusively. Continued demand for cruise holidays is reflected in the data, with intent to cruise at 82%, so it is vitally important that all involved are provided with the necessary certainty to ensure the industry can support this demand and the benefits can be realised.

In order to provide the relevant stakeholders with sufficient certainty for their operations and to continue to support the objectives of THRIVE 2030, it crucial that the Government adopt a longer-term approach. Without this, the industry faces significant regulatory uncertainty, potentially impacting future cruise deployments, the ability of travel advisors to reliably sell cruises within Australia, and the broader economic benefits associated with cruise travel and tourism.

ATIA also supports CLIA's submission that temporary license applications for ships under 5000 GT should prioritise the tourism and community benefits, ensuring that cruise operations can continue to grow sustainably while supporting Australia's broader economic and social goals.

