

Advance Cairns submission on the Exposure Draft Special Recreational Vessels Legislation Amendment Bill 2023

March 2023

Executive Summary

To continue harnessing the significant economic benefits and provide certainty to the superyacht sector Advance Cairns strongly recommends that the repeal date outlined in the *Special Recreational Vessels Act 2019* (SRV Act) be:

- removed; or
- extended for a minimum of five years.

1. Introduction

Advance Cairns is the peak independent advocacy and economic development organisation for Tropical North Queensland. We are apolitical and work beyond election cycles to deliver a stronger, more prosperous future for the Tropical North Queensland region.

Advance Cairns welcomes the opportunity to make a submission to the Department of Infrastructure, Transport, Regional Development, Communications and the Arts on the Exposure Draft Special Recreational Vessels Legislation Amendment Bill 2023 (the Bill).

Background

The inability for foreign flagged superyachts to charter in Australia (until 2020) had been the single biggest inhibitor to growth in the Australian superyacht industry.

In December 2019 the Australian Government introduced the Special Recreational Vessels Bill 2019 which was enacted by the Parliament to allow superyacht owners to apply for a temporary licence, enabling superyachts to engage in coastal trading in Australia over a 12-month period. In 2021 the Act was amended to extend the operation of the legislation to 30 June 2023. It was originally anticipated broad reform of the *Coastal Trading (Revitalising Australian Shipping) Act 2012* would have been achieved by this date, however, this timeline has not been met.

2. Repeal date extension

The Special Recreational Vessels Legislation Amendment Bill 2023 proposes an extension to the SRV Act's repeal date from 30 June 2023 to 30 June 2025.

Whilst Advance Cairns acknowledges this positive development, it strongly urges government to either remove the repeal date in its entirety or extend it until 30 June 2028 at minimum. This will allow continued economic benefit to the regions and certainty to the sector overall, particularly in the lead up to the Brisbane 2032 Olympic and Paralympic Games.

Economic impacts

An economic impact assessment undertaken by AEC in February 2022 (as referenced in Superyacht Australia and Superyacht Group Great Barrier Reef submissions) showed the increase in vessel visitation resulted in an additional 5,123 FTE jobs and generated a further \$1.072 billion in GRP from 2019-2021¹.

In Tropical North Queensland, in 2021 alone, the industry injected an estimated \$252.3 million into the regional economy, supporting 2,199 full-time equivalent jobs. This represented 9.7% of the 22,646 jobs supported by the superyacht industry Australia-wide. The flow-on effects into tourism, hospitality, vessel maintenance and repair deliver a wider economic benefit to the region.

With a continuation of the SRV Act, economic forecasting anticipates further growth of \$1.336 billion and 10,541 FTE jobs by 2025. Furthermore, the Queensland Government's Superyacht Strategy anticipates the Brisbane 2032 Olympic and Paralympic Games will attract at least 200 additional foreign flagged vessels, generating \$1.8 billion in business output within the Australian economy².

3. Recommendation

It is strongly recommended that the *Special Recreational Vessels Act 2019* repeal date be removed, or alternatively be extended for a minimum of five years from 30 June 2023 to 30 June 2028. The Act is a successful piece of legislation that will continue to drive significant economic benefit and jobs to regional Australia, particularly to the Cairns wider region from the Cassowary Coast in the south and north to Cook Shire. As the Bill acknowledges, COVID-19 has meant the true economic benefit of this Act has yet to be realised.

¹ AEC Group Ltd, *Economic Impact Assessment of the Australian Superyacht Sector* (Report produced by AEC Group Ltd, Brisbane, Australia, on behalf of Superyacht Australia and the Australian International Marine Export Group, 2022).

² Department of State Development, Infrastructure, Local Government and Planning, *Queensland Superyacht Strategy 2018-2028* (2022) https://www.statedevelopment.qld.gov.au/__data/assets/pdf_file/0021/71265/superyacht-roadmap-and-action-plan.pdf

