

1 November 2024

Department of Infrastructure, Transport,
Regional Development, Communications and the Arts
GPO Box 594
Canberra ACT 2600

RE: Independent review of the Coastal Trading Act 2012

The Tourism & Transport Forum (TTF) is the peak industry group for aviation, tourism, transport, and related infrastructure sectors. TTF welcomes the opportunity to provide feedback to the independent review of the Coastal Trading Act 2012. TTF supports the review of the Act and has provided recommendations to ensure outcomes of the review will create a more fit for purpose and modernised policy setting.

TTF is a strong advocate for the Australian cruise industry, recognising its many benefits to the Australian economy. In the 2023/24 financial year there was a new peak in economic output from cruise tourism, generating a total of \$8.43 billion, an increase of \$2.80 billion from the previous financial year¹. The 2023/24 period also saw the cruise industry account for 4.3 million passenger visit days (27% increase), 26,369 jobs (45% increase) and \$2.83 billion in wages (56% increase). TTF research has also shown strong demand for the cruise industry. This research found that one in four (26%) Australians are planning to cruise in 2024, demonstrating its vitality to the Australian tourism economy.

Current regulations within the Coastal Trading Act 2012 have meant certain vessels are exempt from a Coastal Trading Act, through the temporary Section 11 Ministerial Exemption. The exemptions have existed since the creation of the act; however, the current exemption is set to conclude in late 2026. During these exemptions, local operators have thrived considerably, benefiting from strong demand and the ability to launch new vessels and fleets. Ultimately, Australia's cruise industry has experienced steady and sustainable growth since the introduction of the exemption on the Coastal Trading Act. However, the repeated requirement for temporary exemption renewals has created uncertainty for the industry, particularly for operators and passengers looking to make bookings years in advance.

Without amendments to the act, the Federal Government's THRIVE 2030 strategy, which intends to grow the cruise market and disperse economic benefits to cities, towns and remote areas through cruise activity, is at risk. This was particularly highlighted in priority no 5.12 which states the need for collaborative work to address barriers to maximising contributions from the cruise sector². To maintain the benefits of the cruise sector, TTF recommends that large cruise ships (greater than

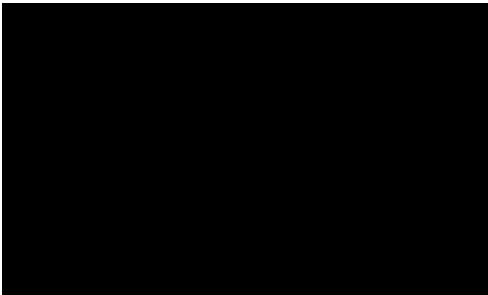
¹ [AEC Report](#)

² <https://www.austrade.gov.au/en/how-we-can-help-you/programs-and-services/thrive-2030-strategy>

5000GT) remain excluded from the Act's scope by including them in section 10, which specifies the vessels that are not covered by the Act. TTF also recommends a tailored regulatory approach for cruise vessels that remain covered by the Act's provisions. It is also necessary that the act considers the unique nature of cruise operations and that the numerous benefits to Australia's economy are key considerations in its design. The action of repositioning ships to their respective regions creates risk for the supply into Australian waters limiting options for travellers.

In conclusion, TTF supports a thriving cruise industry in Australia and supports amendments to the Coast Trading Act 2012 for greater certainty to the industry. TTF remains committed to collaborating with government on these reforms and I encourage you reach out to [REDACTED] to consult further.

Yours sincerely,

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