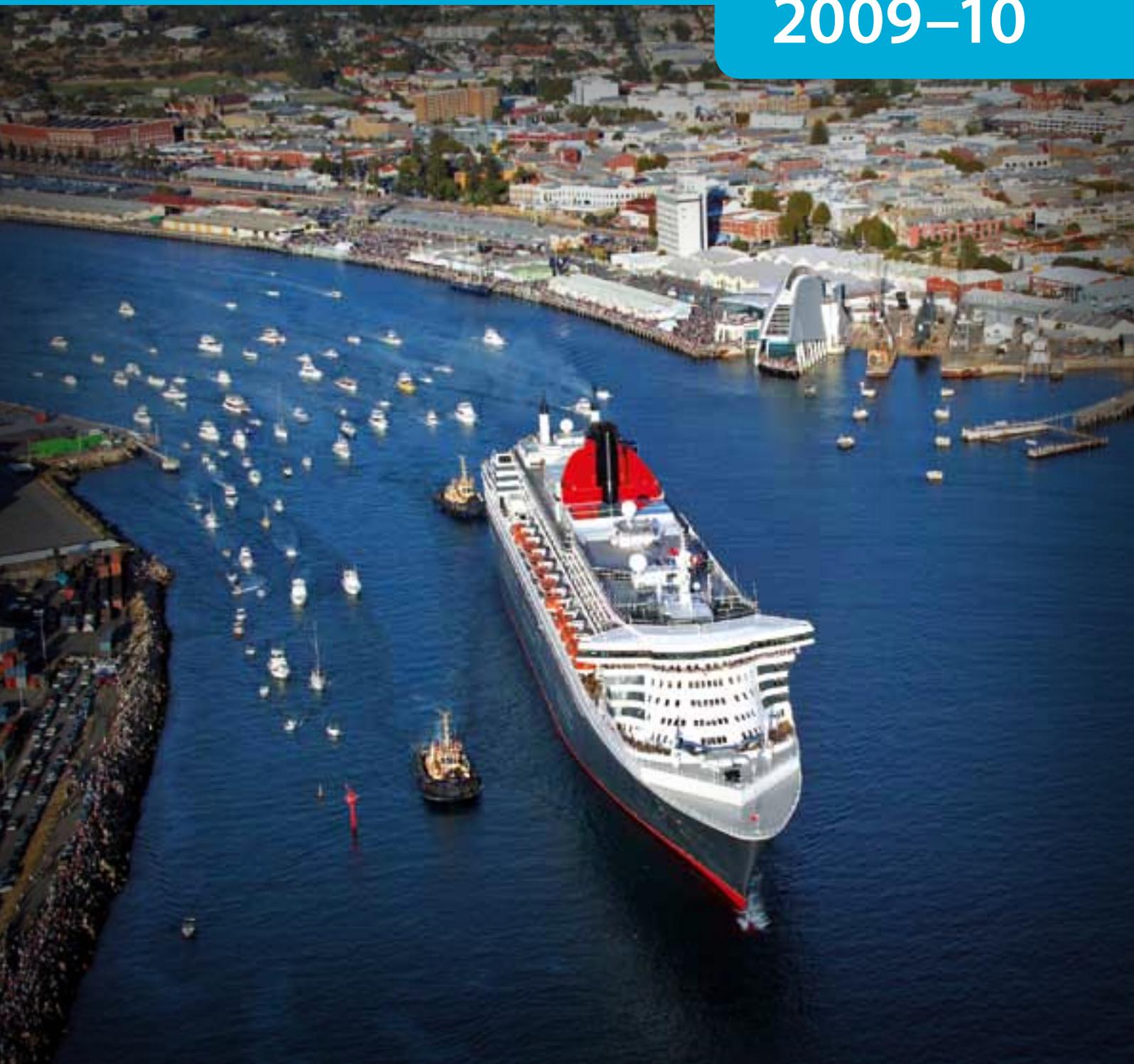


**CRUISE  
DOWNUNDER**  
*your first port of call*

annual report  
**2009-10**



# CDU charter

Cruise Down Under (CDU) is the cooperative marketing brand for cruise destinations and service providers to the cruise industry in Australia and the South Pacific.

Cruise Down Under is a not-for-profit incorporated association formed in 1998.

Cruise Down Under is a membership organisation comprising Australian ports, tourism agencies, cruise lines, shipping agents, inbound tour operators and companies associated with the cruise shipping industry in Australia and the South Pacific.

## vision

Develop the Australia, Asia and South Pacific region (CDU region) as a major world-class base and destination for cruise ships.

## mission statement

Cruise Down Under (CDU) is the peak cruise industry association growing and developing the Australia Pacific region as the world's leading cruise destination providing economic, environmental and social benefits.

## objectives

The primary focus of Cruise Down Under is to influence cruise and charter operators to develop itineraries and/or base their cruise ships in the CDU region. To achieve this, CDU has set itself the following five key objectives:

### 1 Leadership and Governance

Establish strategies to continue to recognise CDU as the respected peak industry organisation.

### 2 Research and Insight

Provide CDU members with useful, accurate and meaningful research and customer information.

### 3 Position and Market the Cruise Down Under region as an attractive and diverse world-class destination

### 4 Growing Membership

Grow membership and provide highly valued benefits and services to members.

### 5 Stakeholder and Partnership Development

Develop closer and stronger relationships with all stakeholders and partners.



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*Cover: QM2 sailing from Fremantle Port  
Photo provided by: Chris Dormont, Wings Photographics*



## chairman's and general manager's report

It is most satisfying to report that Cruise Down Under, its members, and the cruise industry as a whole have survived the 'global financial crisis'. Whilst cruise lines have reported lower levels of yield, the beds have been filled and the itineraries mostly unchanged. Cruise Down Under has maintained its membership levels and managed to turn around a surplus for the 2009–10 financial year.

The 2009 Annual General Meeting saw some new faces elected to the Management Committee. Claire Willis (Abercombe & Kent) and Leah Clarke (South Australia Tourism Commission) brought additional skills and fresh ideas to the Committee.

In April 2010, our longstanding Chairman, Richard Doyle, stood down and Mark Crummy was appointed as the new representative for Tourism NT. Whilst Richard has been missed, it has been extremely satisfying to see that all of the hard work put in by the Management Committee over the past 3 years in setting up strong processes, succession and governance has resulted in a seamless transition period.

Richard was very much the face of the association and is credited with taking

the organisation 'to the next level' and achieving the respect of both the local and international cruise shipping industry.

### Challenges

There have been many steps forward in the infrastructure debate and it is certainly on the minds of all levels of government, however there is still a long way to go to resolve the major challenges. The work of the NSW Passenger Cruise Terminal Steering Committee continues to address the key limitations to Australia's 'marquee' destination for attracting international visitors.

The National Sea Passenger Facilitation Committee, set up in October 2009, is addressing a range of inhibitors to the

cruise industry on a government level and will continue to work towards streamlining the efficiencies for operations around the country.

Australia continues to be in high demand for cruising and we are now considered a mature market. We do, however, need to continue to establish new opportunities for itineraries and product to ensure that repeat visitors are able to access new and different experiences.

### Value of the Cruise Sector

The Economic Impact Study continued to be a major project for CDU in 2009–10 with the support of Tourism Australia. The 2008–09 season results were released in August 2009 showing yet again another year of industry



growth. The findings of the 2009–10 year will be completed by August of 2010 and will be presented at the Annual Cruise Down Under Conference. Cruise Down Under continues to address the future needs of the study to ensure that we are able to capture the most reliable and relevant information available to us.

The 2008–09 findings revealed that the total expenditure generated by the cruise shipping industry in Australia was approximately \$746 million including direct expenditure of approximately \$387 million. This was a 32% increase from the performance of 2007–08. A more extensive summary of the findings can be found later in this annual report and is also available on our website.

### A Time for Reflection

The 2009 Cruise Down Under Conference and AGM was held in Adelaide, hosted by South Australia Tourism Commission. The conference attracted 95 delegates from Australia, Papua New Guinea, New Caledonia, New Zealand, United Kingdom and the USA. Keynote international speakers included Darius Mehta from Silversea Cruises and Chris Martin from

Holland America Line. The conference continues to grow as the key annual event in the region and provides the perfect forum for industry debate and information gathering and sharing.

### Key Outcomes

The 2010 Cruise Shipping Miami was held in March and after such a slow show in 2009 due to the GFC, it was encouraging to see how resilient the cruise ship market is and the enthusiasm for the coming two years. The event continues to enable us to gain a clear understanding of the global cruising trends and what challenges lie ahead. It is also an invaluable time for business-to-business interaction with our cruise partners. The meetings held with our key clients in Miami, Los Angeles and Seattle provide us with valuable information on our performance as a destination, the changes occurring within the industry and the projected itineraries planned for future seasons.

The Cruise Down Under Conference subcommittee has put another committed effort into the organising of the 2010 event being held in Brisbane in late August with the valued support of Tourism Queensland, Portside Wharf and Brisbane Marketing.

The conference program is again exciting and diverse and features presentations from Bruce Krumrine, Princess Cruises and Craig Milan, Royal Caribbean Cruises. The conference theme is 'Rise to the Challenge' as we look at the increase in demand for the 2010–11 and 2011–12 seasons.

The Management Committee has continued to be focused on its strategic planning and developed an annual operating plan from which to align our goals. The one-off reduction in membership fees was welcomed by members and enabled us to retain membership numbers during a difficult time.

Another major outcome during the year was the rebranding of CDU which saw the launch of our new logo depicting a ship sailing Down Under.

In closing we would like to make special thanks to the members of Cruise Down Under who have continued to support the organisation during what has been a difficult time financially for all Australian businesses. In addition we have been fortunate to work with an enthusiastic and hard-working Management Committee and thank their supporting organisations for the continued commitment to CDU.

Evda Marangos  
Chairman

Jill Abel  
General Manager



## cruise shipping overview

### Global Cruising

The 2010 Cruise Shipping Miami Conference reflected a positive outlook for the cruise industry at the global level. Conference attendance levels and industry enthusiasm for the coming years was noticeably buoyed. The opening remarks by the Conference Chairman, Chris Hayman, captured the industry's mood, as follows:

- The cruise industry is in recovery mode (from the GFC)
- Princess Cruises is building new cruise ships
- It is impossible to ignore the role of globalisation with US

- Europe (grew 12% in 2009), Germany (1.3M pax) and UK (1.5M pax)
- Asia, Middle East, Latin America are also positive
- Irreversible trend of wide global deployment across the cruise industry in general
- Caribbean is expected to have double digit growth capacity in 2010
- Alaska and the Mediterranean were also expected to grow in 2010.

Cruise Line International Association (CLIA) estimates 14.3 million passengers on members' ships during 2010, taking an average cruise of approximately 7.2 days.

The top cruise destinations remain the Caribbean and the Bahamas, Alaska, the Mediterranean and couples dominate the cruise demographics.

Cruise shipping has captured approximately 19% of the North American population leaving a large portion yet to cruise.

The order-book has 25 new cruise ships scheduled to be delivered by 2014 with a value estimated at more than US\$16 billion. With new ships, technology, destinations and experiences on offer, the industry is confident of ongoing growth and opportunities in coming years.



## National and Regional Cruising

The cruise industry was one of the tourist sectors that reported growth during the GFC achieving better than expected results.

An increase in the number of cruise ships visiting the region saw increased passenger numbers but lower yields.

Cruise lines expanded their operations around the country/region. In addition to the established turnaround operations in Sydney and Brisbane, the industry successfully conducted similar operations in Fremantle, Melbourne and South Australia.

Australian Customs established a National Sea Passenger Facilitation Committee similar to the existing Aviation Committee. The committee brings together key border agencies and other departments with an interest in the cruise shipping industry and provides a forum where the cruise industry and supporting industries can raise issues directly with relevant areas of the Australian Government.

The aim of the Committee is to provide a focus for industry and government agencies to work collaboratively to improve the clearance of international cruise vessels specifically in relation to border security issues. The group will be able to explore ideas and options, and develop and implement relevant initiatives, with the objective of improving international sea passenger facilitation and other elements of international cruise vessel visits.



## Northern Territory

Over 32,000 cruise passengers stopped in Darwin during 2009–10 cruise ship season, which was an increase of 23% from the 26,000 visitors in 2008–09. While the actual number of cruise ship visits has remained relatively steady at 29 ships, the more recently built ships with their increased size and passenger capacity are continuing to bring in record numbers of cruise passengers to Darwin.

Cruise ship crews have also increased in number to over 15,600 in 2009–10, up 22% compared to 2008–09.

The Darwin Port Authority welcomed *Seabourn Odyssey*, *Saga Ruby* and *Princess Danae* for the first time this year and expects more ships to include Darwin in their itineraries in the future.

Darwin's new \$5 million cruise ship terminal at Fort Hill Wharf, and new sky bridge (part of the Skywalk) was opened in July 2009, improving the connectivity between the waterfront area and the city centre. Located within the Darwin Waterfront,

the new terminal provides excellent passenger facilities.

In May 2010, the findings from the Darwin cruise ship passenger survey conducted at the newly completed Fort Hill Wharf Terminal in Darwin were released, showing that cruise visitors had high levels of satisfaction with all aspects of their experience in Darwin, including positive feedback on the new wharf facilities. Also captured from the Darwin cruise ship research was passenger and crew expenditure information, which is being incorporated into the AEC Group's Economic Impact Assessment of the cruise ship industry in Australia, and is expected to be released at the Cruise Down Under conference in August 2010.

Tourism NT and the Darwin Port Corporation continue to work extensively with cruise lines, the tourism industry, Cruise Down Under and other marketing associations to attract more cruise ships to the Top End.



## Western Australia

### Fremantle

In its busiest season since the early 1970s, there were 39 cruise calls to Fremantle in 2009–10 and expectations are that there will be 30-plus cruise calls again in 2010–11.

The highlights of the 2009–10 season undoubtedly were the maiden calls of the *Queen Victoria* in February and the *Queen Mary 2* on 14 March. *QM2* at 151,000 tonnes is the largest cruise ship to visit Australian ports and it is estimated that 100,000 people visited Fremantle to capture a glimpse of the *QM2*. A highlight of the visit was the flotilla of small craft escorting the ship on departure – an amazing sight.

It was also pleasing from a Western Australian perspective that Carnival Australia announced that Cunard's *Queen Mary 2* will make Australia her 'home away from home' in 2012 with a world first 'Royal Circumnavigation' to depart from Sydney on 14 Feb 2012. The voyage will see *QM2* return to Sydney, Fremantle, Adelaide and the Whitsundays, as well as making maiden calls at Cairns, Melbourne, Darwin and Brisbane.

*QM2* is also scheduled to call at Fremantle on 17 February 2011 and this will be complemented next year with the maiden call of Cunard's newest vessel the *Queen Elizabeth*.

Other cruise visit highlights included the second call by the 116,000 tonne *Diamond Princess* and first time visits from the *Pacific Sun*, *Volendam*, *Balmoral* and the *Albatros*.

The sustainability of cruise lines using Fremantle as a turnaround port is becoming a reality with the *Sun Princess*, *Athena* and the *Pacific Sun* home-basing out of Fremantle in 2009–10. The *Sun Princess* and *Athena* will again be home-basing out of Fremantle in 2011. It is unfortunate that the *Pacific Sun* has been repositioned to eastern Australia after its initial season in Fremantle.

The economic benefit of cruise calls to Fremantle in 2008–09 was \$41.7m and this figure is expected to increase in 2009–10 based on passenger numbers to date.

Fremantle Ports' records show that in excess of 90,000 passengers passed through Fremantle Port this financial year and this is the largest number of passengers since the early 1970s.

Cruise lines have expressed high satisfaction with the Port's passenger terminal in meeting cruise ship and passenger needs and the Port is committed to undertake ongoing improvements to facilities and processes at the Overseas Passenger Terminal (OPT) notwithstanding the heritage requirements of the OPT. The Port is also conscious of delivering high cruise customer service given their needs and the necessary security requirements in 2010.

Fremantle Ports has continued to play a very active role with Cruise Down Under, Australia's peak cruising body, in promoting Fremantle as a cruise ship destination and helping to market the region.

Fremantle Ports has now participated in Cruise Down Under activities for

more than 14 years and has helped not only to increase the number of cruise ship visits to Fremantle but also to ensure that the interests of WA regional ports are represented.

The sustained growth of cruise tourism in Western Australia was a pleasing feature of 2009–10 at a time when world tourism was still encountering difficult economic times.

The growing number of cruise ship visits to Fremantle and regional ports is injecting tens of millions of dollars annually into Western Australia.

Fremantle Ports is continuing to work with Cruise Down Under, the City of Fremantle and tourism bodies and other agencies to attract and maintain cruise liners through improvements to infrastructure; management and services; marketing and promotion.

### Albany

The historic town of Albany continues to remain a favourite cruise ship stopover with 13 cruise ship visits for the 2009–10 cruise ship season. The season included two highlight maiden voyages from *The World* and the *Queen Victoria*.

Cruise ship visitors are serenaded into Port by Tom the Piper, playing the bagpipes which is well received by applause from the ship's balconies. The Albany Port Authority also welcomes visitors with a complimentary shuttle bus service into the heart of town, where a team of volunteers and other organisations look after our cruise ship visitors.



Staff from the Albany Visitor Centre welcome passengers and provide information at the Port and in Alison Hartman Gardens. The Albany Port, the City of Albany and the Albany Chamber of Commerce and Industry together with local community volunteers put on markets and live music at the Alison Hartman Gardens, which are located in the heart of town.

We are also lucky to have assistance with the Albany Volunteer Ambassadors who are located on the local streets of Albany to help visitors with information.

The City of Albany, the Albany Chamber of Commerce and Industry and the Albany Port Authority collectively support Jazz Masala to play live music for visitors. Jazz Masala puts on a great live music show at Alison Hartman Gardens under a shady tree, where visitors can sit and listen to music or mingle with locals through the market stalls. This creates a great atmosphere on York Street with a visitor or two kicking their heels up to the tunes.

With support from local businesses, the City of Albany and the Albany Chamber of Commerce and Industry, the Albany Port Authority looks forward to a bigger and better season ahead.

## Broome

The Broome Port Authority has had a busy cruise shipping year with 38 cruise vessels visiting the port, comprising 14 cruise liners and 24 Kimberley expeditionary cruise vessels.

This year Broome welcomed for the first time the cruise liners *Pacific Sun* and *The World*. Australia's favourite

cruise ship the *Pacific Sun* made 5 visits allowing approximately 9,000 passengers to experience a true Kimberley wet season.

The 1,867 passenger *Rhapsody of the Seas* visited on 2 occasions, whilst the 1,950 passenger *Sun Princess* and sister ship *Dawn Princess* returned to our popular tourist town 5 times between them.

The 106 passenger super luxury expeditionary cruise ship *MV Orion* is now a regular visitor and combined with *Coral Princess* and *Oceanic Discoverer* to record 24 expeditionary cruise vessel calls this year.

Broome is an exotic town located on the north coast of Western Australia,

approximately 2,250 kilometres from Perth. Enjoying tropical warmth all year, Broome's beautiful scenery, cosmopolitan ambience and its proximity to the rugged Kimberley wilderness make it an increasingly popular choice of destination for cruising itineraries.

This year Broome Port Authority designed and constructed an elevated platform for cruise vessel gangways plus two new wheelchair accessible gangways to minimise the impacts of Broome's huge tides on accessibility for all passengers. Broome is geared for the growth in the cruise shipping industry, and welcomes all future arrivals to its unique port.





## Victoria

### Melbourne

In Port of Melbourne's fifth full season since taking over management of Station Pier in 2005, Melbourne welcomed 48 cruise ships, including four maiden visits.

With 21 different vessels calling at Station Pier, over 120,000 visitors benefitted from the pier/terminal upgrades which include new passenger and baggage handling facilities and improvements to the terminal as part of PoMC's 30 year ongoing refurbishment program.

Port of Melbourne Corporation actively supported and contributed to the Melbourne Cruise Ship Committee which works to coordinate each cruise ship visit. The committee brings

together shipping lines and agents, Tourism Victoria, Australian Customs, Australian Quarantine and Inspection Service, City of Melbourne Volunteers, Skilled Maritime Services, Department of Transport, Yarra Trams, Victorian Taxi Association, the Victorian Taxi Directorate, Metlink, Statewide Traffic Management, TT-Line, Royal Australian Navy, Waterways Constructions, ground handlers, together with the ongoing cooperation of the City of Port Phillip.

Security and safety – in an Australian first of its type, a live fire training drill was conducted when the *Volendam* visited Station Pier in February. The scenario was coordinated by the Metropolitan Fire Brigade (MFB) in conjunction with the cruise ship to test both the MFB and *Volendam's* capability to respond to a fire on board a vessel.

To make the drill as realistic as possible, both passengers and crew were evacuated from the ship. With the cruise ship *Nautica* berthed on the other side of the pier, PoMC worked with the MFB and the crews of the *Volendam* and the *Nautica* to ensure that the drill did not disrupt routine processes at the pier.

At this stage, 42 vessels are scheduled to call at Station Pier during the 2010–11 season, including the maiden visit to Melbourne by the *Queen Elizabeth* on her inaugural world cruise.

To launch the season, both the *Pacific Jewel* and *Pacific Sun* will call at Melbourne for 3 days to take in the Spring Racing Carnival in early November.

PoMC continues to work with the broader industry and is an active member of Cruise Down Under through its role on CDU's Management Committee working to attract more cruise ships to this region.

Delivering shore excursion programs for cruise ship visitors is a critical part of the overall visitor experience. Cruise ship visitors are also important to the Victorian tourism industry. Key destinations for shore excursions in 2009–10 included Melbourne, Yarra Valley, Mornington Peninsula, Ballarat and Phillip Island with food and wine, wildlife, heritage and shopping being key experiences showcased to passengers.

### Regional Victoria

*Diamond Princess* visited Phillip Island on 1 January 2010.





## New South Wales

### Sydney

The 2009–10 cruise season was another great season for Sydney, Australia's pre-eminent cruise port. Sydney is the only Australian city with two world-class cruise terminals. The cruise industry has consistently reaffirmed Sydney's reputation as a world-leading cruise destination.

Sydney Ports has been consistently recognised by the industry as having the world's 'best turnaround port operations' and in December last year Sydney beat Venice and Vancouver for the 'Best Cruise Port' in the World, as voted by Cruise Passenger Magazine.

With a reputation like this it's no wonder the cruise industry is booming in Sydney with continued year-on-year growth.

The cruise season this year saw over 120 ship visits with over 250,000 passengers visiting Sydney. Sydney Ports Corporation continues to work with industry to provide the right services and infrastructure to support growth in cruise shipping.

The 2009–10 cruise season had a number of new vessels making their inaugural visit, the *Pacific Jewel* in December, the *Seabourn Odyssey* in February and the *Balmoral* in March.

Sydney Ports also welcomes the announcement by Cunard Line that the *Queen Mary 2* will be based in Australia in 2012 for a history-making 28 day circumnavigation which will see her visit five States and the

Northern Territory. *Queen Mary 2's* 'Royal Circumnavigation of Australia' is a first for Cunard. The *Queen Mary's* deployment will be the longest in one country outside her Northern Hemisphere home ports. The highlight of her journey will be a 'royal rendezvous' in Sydney Harbour together with Cunard's new ocean liner, the *Queen Elizabeth*.

Cruise Shipping in Sydney consists of three operating segments with different seasonal calling patterns. Vessels within the homeport segment are based in Sydney, and their calling pattern is smooth and spread across the year. Vessels within the seasonal segment are based in Sydney for regional cruises typically between October and April, peaking during Australia's summer season, with more frequent calls in the months of January and February. In the round-the-world cruise segment seasonality is more pronounced with the majority of calls in the peak summer months.

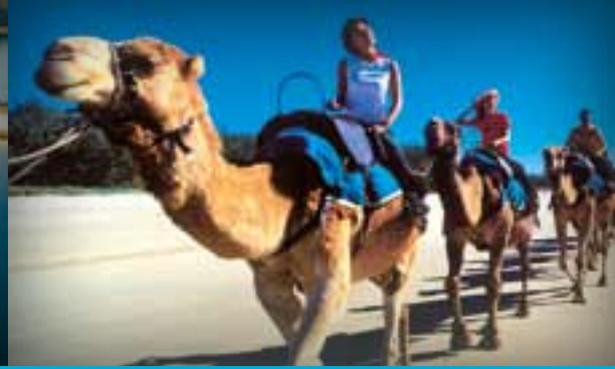
A Passenger Cruise Terminal Steering Committee was established in May 2009. The purpose of this committee

was to provide a recommendation on the location of the replacement passenger cruise terminal from Darling Harbour 8 to a new terminal within the Glebe Island/White Bay port area, as well as review longer-term options for a new passenger terminal east of the Harbor Bridge. In December 2009 the NSW Government announced that the new cruise passenger terminal would relocate west of the bridge to White Bay, and whilst the new White Bay Passenger Terminal is being planned and constructed, a temporary facility will operate from Barangaroo Wharf 5 to ensure Sydney maintains its two-berth status.

According to industry figures, economic contribution of the tourism-related port activity in New South Wales was estimated to be \$192 million in direct expenditure and \$374 million in total expenditure. (Source: *CDU Economic Impact Study 2008–09*, p25).

The ongoing maintenance and investment in Sydney Ports' facilities and services is essential for Australian and international cruise passengers and visitors.





## Newcastle

Newcastle experienced a busy 2009–10 cruise season which saw a record number of passengers enjoy the various attractions of the Hunter region.

Newcastle is the gateway to a range of attractions including Australia's oldest and largest wine-growing area of the Hunter Valley, dolphin-watch cruises, 4 wheel-drive tours of the Port Stephens sand dunes and the appeal of the vibrant coastal city of Newcastle.

Cruise Hunter is the regional body, managed by Newcastle Port Corporation, responsible for developing and growing the local cruise shipping industry in Newcastle. A regional advisory group continues to work collaboratively on strategies that position Newcastle to capture the growing cruise market.

During the 2009–10 cruise season Princess Cruises made several port calls to Newcastle as part of its circumnavigation voyages around Australia. Holland America Line

featured Newcastle on its itinerary for the first time with a successful maiden visit by the *Volendam*.

For each cruise ship visit a meet and greet was arranged for cruise passengers including a local volunteer ambassador program, entertainment and markets, which were held in the city centre to enhance the passenger experience of Newcastle.

In early 2010 Newcastle Port Corporation and the New South Wales Government invested \$2.55 million to upgrade a new berth for cruise ships that will better meet industry needs. This inner city berth is located only minutes from the city centre, many of Newcastle's famous beaches and is easily accessible to the Hunter Valley and Port Stephens. The new berth will be operational from September 2010.

Newcastle is preparing itself for an exciting 2010–11 cruise season that includes P&O Cruises Australia becoming the first cruise line to home port in Newcastle.



## Queensland

Queensland is continuing to experience accelerated growth in its cruise sector. Australian Reef Pilots (ARP) cruise ship pilotage bookings – a reliable barometer of health of the industry in Queensland – has increased 20% in just one year. ARP already has 57 requests for its specialised cruise ship services scheduled for the coming year.

The majority of this growth is due to the increased number of larger size ships (Panamax and upwards) visiting Queensland. In particular there has been huge growth in the number of visits from Carnival Australia ships. The Brisbane based *Pacific Dawn* is scheduled to make seven Great Barrier Reef voyages in 2010–11. *Pacific Jewel* and *Pacific Pearl* are also cruising Queensland waters while the *Pacific Sun*, originally based in Brisbane prior to the *Pacific Dawn*, is returning with nine cruises earmarked for 2010–11.

Additionally, Queensland will cater to Princess Cruises' *Dawn Princess*, *Sun Princess* and *Diamond Princess* with a total of ten cruise visits scheduled. Royal Caribbean Cruises' *Rhapsody of the Seas* and *Radiance of the Seas* passengers will also have the opportunity to discover Queensland and its abundance of nature-based experiences.

Queensland will also welcome back the classic Marlene Dietrich themed Peter Dielman cruise ship *Deutschland*, while Silversea Cruises' *Silver Spirit* will grace us with her presence on her maiden voyage. There are also a higher than normal round-the-world and



Pacific-rim cruises scheduled for the coming year.

Overall the outlook for Queensland's cruise industry looks healthy and continued growth is expected, largely due to an ever increasing awareness of the Great Barrier Reef's calm seas and moderate temperatures and humidity during the months of October through to December; and the opening (later in the year) of Queensland's new state-of-the-art cruise ship simulator, currently being developed in Brisbane. It will offer simulation for every port in Queensland and will open up several ports to larger ships that originally not been accepted.

### **Brisbane Cruise Terminal – Portside Wharf**

The Brisbane Cruise Terminal hosted some 58 ships to its facility in the 2009–10 year (38 base ports and 21 transits), representing some 210,000 passenger movements.

To facilitate the continued growth in the cruise market out of Brisbane, 2009 saw the introduction of the super liner P&O *Pacific Dawn* as the base port vessel. This year P&O Cruises also confirmed it will introduce a second ship, *Pacific Sun*, from March 2011.

The traditional off season in June/ July has been replaced with weekly departures, with the Brisbane Cruise Terminal securing bookings until 2016.

Currently, cruise shipping generates more than \$151 million for the Queensland economy each year.

Opened in August 2006, Portside Wharf is one of the first developments of its

kind in the world to incorporate retail, residential and state-of-the-art shipping facilities for up to 2,500 passengers on base-porting or turnaround calls.

### **Townsville**

In December 2009, the State Government announced that a cruise ship terminal would be established as part of a redevelopment of Berth 10 at the Port of Townsville. The redevelopment will provide a multi-use cruise, military and commercial berth and a dedicated passenger terminal building. This project will complement other planned redevelopment of waterfront lands in Townsville to establish tourism and public facilities along the length of Ross Creek, encouraging public access and connectivity to the waterfront, linkages with the other precincts and the Central Business District of Townsville.

Construction is anticipated to commence in early 2011, with the cruise ship terminal expected to be operational by the end of 2012. When complete, the facility will be an attractive destination for cruise ships, as well as Australian and allied defence personnel for operational and recreational visits to Townsville. The facility will be capable of accommodating vessels up to 270 metres in length (and 300 metres by exception).

### **Cairns**

The Port of Cairns is one of the country's busiest cruise destinations with major international cruise ships scheduled

annually and a vast array of domestic reef vessels operating on a daily basis. In the 2009–10 season 28 cruise vessels called at Cairns while 12 anchored off at Yorkeys Knob. This season the largest vessel to enter Cairns, *Rhapsody of the Seas* became a regular caller following an extensive simulation exercise by the harbourmaster and pilots.

This modern, sophisticated city with its extensive shopping and dining experiences, magnificent mountain backdrop and direct access to the Great Barrier Reef and World Heritage tropical rainforests makes Cairns an extremely attractive cruise and fly/cruise port.

The Port provides capacity for up to two cruise vessels located along Wharves 1-5 with a dedicated cruise terminal on Wharf 2/3. The terminal, located in the heart of the city, is an easy walk to downtown shopping. The \$11.2 million upgrade of the Cairns Cruise Terminal is expected to be completed in September 2010 when the heritage-listed shed will be transformed into a modern facility that will provide climate controlled areas for both transit and embarking/disembarking passengers. Security provisions will comply with the *Maritime Transport and Offshore Facilities Security Act 2003* and provision for Customs, AQIS and other services.

Cairns International Airport is located just 8 kilometres from the city.



## South Australia

South Australia has hosted one of its most successful cruise ship seasons ever this summer, with a record 27 cruise ship arrivals carrying up to 50,000 passengers, capped off by a visit from the world's largest ocean liner, Cunard Lines' *Queen Mary 2*.

The *Queen Mary 2*'s relationship with South Australia is set to grow in coming years, with a return visit planned for 2011 and cruise packages on board the luxury liner to include departures from Adelaide during 2012.

The ship's passengers offered glowing endorsements of Adelaide and the welcome provided to them by South Australia, proving the success of the South Australian Tourism Commission's (SATC) partnership with Flinders Ports,

the Port Adelaide-Enfield Council and the Department of Transport, Energy and Infrastructure.

The hard work this season by the SATC's partners has ensured all cruise passengers visiting our State received the friendliest and most well-organised arrival possible, and our dedicated team of 'meet and greet' volunteers continues to exceed all expectations.

The boom in the cruise ship arrivals is excellent news for South Australia's economy, with the 2009–10 season's economic impact expected to be significantly higher than the \$7.1 million boost given to the State's economy by cruise ship arrivals during the 2008–09 season.

The terminal upgrade, which was unveiled in November last year, was a joint initiative of the SATC and its

owner, Flinders Ports, to ensure the best possible first impression of our State for cruise ship passengers, as well as to streamline their arrival and departure process.

The growth in cruise ship arrival numbers is a boom for Port Adelaide and the city centre, but is also beneficial for regional South Australia, with many passengers embarking on shore excursions to the Barossa, Adelaide Hills and Fleurieu Peninsula while docked at Outer Harbor, and a growing number of cruises adding stops at Kingscote and Port Lincoln to their itineraries, where passengers also undertake shore excursions on Kangaroo Island and Eyre Peninsula.





## Tasmania

The 2009–10 Tasmanian cruise ship season commenced in early November 2009 and finished in early April 2010, a little later than in previous years. Nineteen vessels visited Tasmania totalling 55 port visits. Importantly, cruise tourism in Tasmania has had a positive economic impact over the last ten years with an average growth of 14 per cent per annum despite a dip in visitor numbers over the last quarter.

### Hobart

The Tasmanian Travel and Information Centre developed a team of Hobart visitor volunteers to assist cruise ship passengers with information and directions. The fully trained and easily identified volunteers were on the wharf for each ship's arrival, on shuttle buses and in the CBD to help visitors find exactly what they were looking for. The feedback from passengers was overwhelming:

*'The best organised arrival and information so far.'*

*'I am from Canada and this was my first visit to Hobart. You have a wonderful city and everyone we met was so helpful and friendly. I would especially like to thank the volunteers in the blue vests that were so helpful getting us around and providing city information – they were outstanding.'*

Sun Princess passenger comments from the Tasmanian Visitor Survey.

Hobart has also made improvements to its shuttle bus services with better signage and seating at the bus stops.



A number of new experiences, such as Inverawe Gardens south of Hobart which showcases native Tasmanian plants, were included in cruise ship shore excursions.

### Burnie

In Burnie the new Maker's Workshop which includes a visitor centre began hosting cruise ship visitors from when it opened in November 2009. The unusual building was awarded the Alan C Walker Award for Public Architecture at the 2010 Tasmanian Architecture Awards. It is made from the relatively new material Danplalon, a polycarbonate, which gives the building a translucent appearance from the outside.

Inside the Maker's Workshop, passengers can access visitor information and book local tours, relax in the cafe, peruse and purchase arts and crafts from the working studios and galleries. The Maker's Workshop provides a welcome focal point for reception of cruise ship passengers, with the shuttle bus services bringing passengers from the port to the venue.

Infrastructure Developments – TasPorts continues to improve infrastructure at the Port of Hobart with Tourism Tasmania and cruise ship companies providing information on the requirements needed for successful port visits.

Port Arthur Historic Site Management and Tourism Tasmania have commissioned an engineering report on the required improvements to the Port Arthur jetty to accommodate cruise ship visits in the future.

Working in Partnership – Tourism Tasmania, TasPorts, Hobart City Council, Burnie City Council and the Tourism Industry Council Tasmania continue to work together ensuring the delivery of exceptional service to cruise ship companies, shore excursion operators and other stakeholders in the cruise industry which results in memorable and rewarding Tasmanian experiences for visiting passengers.



## New Caledonia

Since the 1980s, New Caledonia has been a destination regularly visited by cruise ships coming frequently from Australia or sporadically as part of 'around the world cruises'.

Around the 1990s, New Caledonia had 40,000 passengers annually for fifty cruises.

Success of world cruise business soon reached New Caledonia and between 2006 and 2009, the average arrival was around 131,500 passengers per year.

This firmly puts New Caledonia on the map as an ideal stop for cruises, combining the high security, medical and regulatory standards

expected from French territories, with outstanding, exotic, natural beauty.

The port of Nouméa is also located only a short distance from the city centre providing easy access for visitors to explore all the key attractions, even if they are berthed for only a short time.

New Caledonia Tourism South also attributes the increased interest in the region to the recent UNESCO (United Nations Educational, Scientific and Cultural Organisation) listing of New Caledonia's reef and lagoon as a natural World Heritage site.

UNESCO listed the lagoon, the largest in the world, and reef, second largest to the Great Barrier Reef in Australia, as

an international treasure in July 2008. The reef stretches across 1,600km and is home to over 9,000 different species of marine life, over 900 species of coral and attracts turtles, dugongs, whales and manta rays among other rare species to the beautiful coastlines.

Many parts of the reef can be explored within a 20 metre diving depth, making it easily accessible for amateur divers to experience. The main island is home to a number of professional PADI and CMAS-affiliated dive centres for cruise liners to partner with, making lagoon and reef expeditions one of the most unforgettable underwater experiences in the world.





## Indonesia

The number of cruise ships visiting Indonesia is continuing to increase. For the calendar years 2010 and 2011 the figures are the following:

	Calls
2010	214
2011 (est.)	189
	Passenger calls
2010	127,674
2011 (est.)	135,608
	Number of operators
2010	19
2011 (est.)	23
	Number of vessels
2010	31
2011 (est.)	32
	Average capacity
2010	776
2011 (est.)	945

With a total of 83 different destinations scheduled in 2010, the number of destinations visited by cruise lines is continuing to increase. Part of it is due to the increasing number of expedition vessels which are sailing in Indonesia. The Minister of Culture and Tourism of Indonesia is very attentive to make sure these cruise operators are operating successfully in Indonesia as they allow the development of tourism throughout the whole Indonesian Archipelago.

In 2009 Costa Cruises started operating regular cruises to Indonesia



from Singapore and P&O Australia from Fremantle. Royal Caribbean International will test the market with two cruises from Singapore to Indonesia in 2011. The Minister of Culture and Tourism of Indonesia also understands that the new challenge is to develop the destinations able to accommodate the cruise ships of large capacity visiting Indonesia.

During the last months maintenance dredging has been carried out in the ports of Benoa and Semarang. In Benoa and in Semarang the minimum depths in the turning basin and along the cruise berths are now up to 9m. Padang Bay, Lombok and Komodo are working to improve their landing facilities. More and more

Indonesian destinations are interested in cruise development, understanding that adapted cruise facilities are essential.

The Minister of Culture and Tourism of Indonesia is organising FAM trip for cruise operators on a regular basis. The last ones organised in August 2009 and May 2010 have permitted not only cruise operators to visit cruise destinations and related facilities but also to the Indonesian stakeholders involved in the cruise activities to understand cruise operators' needs.



## Papua New Guinea

Papua New Guinea is one of the last tourism frontiers, with much of it being inaccessible to tourists, unless by sea. Roads do not connect major destinations or cities and for one to embrace Papua New Guinea's primitiveness, the fascinating natural beauty, to immerse in culture and to find growth and meaning in tourism experiences, the cruise ship sector is of paramount importance. Cruise operators have included Papua New Guinea in their list of cruise destinations, hence cruise numbers have steadily increased since 2006.

It is predicted that the cruise ship schedule for the current year will remain the same throughout 2011.

- Calls: 126
- Passenger Calls: 4 822 (Jan- part of March)
- Number of Vessels: 11
- Number of Operators: 8
- Calls to beaches/islands/villages: 79

A Cruise Ship Development Strategy was developed and launched in 2010 by the Tourism Promotion Authority. The stimulus for such a strategy is the desire to attract more cruise calls to Papua New Guinea ports and subsequently the islands, beaches and villages. The cruise industry in Papua New Guinea has gained momentum with increased cruise vessels and passengers in the last couple of years.

In Papua New Guinea, there are various ports and islands to visit and



cruise passengers have a variety of opportunities, indulging in the exotic and unique natural surroundings, the country's diverse culture or even its village communities. Onshore activities differ from port to port and island to island; passengers can partake in a variety of soft-adventure experiences from kayaking to trekking.

There are two main shipping agencies that facilitate cruises in Papua New Guinea and they are Inchape Shipping Services and Melanesian Tourist Services. The most popular ports that cruise vessels dock at are Rabaul, Madang, and Alotau.

Some of the cruise vessels visiting the country's ports in 2009 include *Clipper Odyssey*, *Rhapsody of The Seas*, and *Silver Whisper*. In 2010, the *Queen Mary 2*, *Rhapsody*, *Hanseatic*, *Orion* and others have also visited. It is expected that more of these vessels will frequent the ports of Papua New Guinea in the near future because the Government is supportive of the policies that are put in place to bolster cruise visits and general tourism in the country.





## management committee

August 2009 to August 2010



*Back from left: David Brown, Glenn Stephens, Leah Clarke, Claire Willis, Mark Crummy  
Front from left: Jill Abel, Evda Marangos, Chris White*

### **Evda Marangos**

**Port of Melbourne Corporation**  
Chairman May to August 2010  
Deputy Chairman to May 2010  
Term expires 2010

Evda is responsible for managing cruise shipping and Station Pier. Evda developed and implemented Victoria's first and subsequent cruise ship strategies, which formed the basis of an ongoing development program for the cruise industry in Victoria.

Evda continues to develop the cruise shipping function and the facility at Station Pier to accommodate the growing cruise industry.

Evda has been a member of the CDU Management Committee since 2002 and has been responsible for a number of portfolios including preparing CDU's annual operating plan and annual report. Evda was elected CDU Chairman in May 2010.



## Chris White

### Tourism Victoria

Deputy Chairman May to August 2010  
Member to April 2010  
Term Expires 2011

Chris currently manages the Product Marketing division at Tourism Victoria. Chris is responsible for marketing Victoria's key product strengths including cruise shipping, food and wine, nature-based tourism, arts, theatre and cultural heritage and Aboriginal tourism. She also manages national marketing including co-operative relationships with airlines, tour wholesalers and travel agents.

Chris' career in tourism began in London in 1991, where she worked for JAC Travel, a large tour operator with a wide portfolio of business interests including education and youth travel. When she returned to Australia in 1993 she worked for a small nature-based tour operator in Victoria.

Since joining Tourism Victoria, Chris has held a number of positions including Market Coordinator for the UK/Europe, Product Development Manager and Manager Product Segments and Niche Markets.

## Glenn Stephens

### Fremantle Ports

Treasurer 2009–10  
Term expires 2011

Glenn Stephens is a member of Fremantle Ports Executive Team and his role as Senior Manager Trade and Business includes responsibility for cruise shipping. Glenn has held the

position of Treasurer of Cruise Down Under since its incorporation in 1998. He has tertiary qualifications in business and accounting and is a Certified Practising Accountant, a member of CPA Australia, Fellow of the National Institute of Accountants, a member of Australian Institute of Management and a member of the Australian Institute of Company Directors.

Glenn has held senior financial and management roles at Fremantle Ports since 1986.

## David Brown

### Cruise Hunter

Member 2009–10  
Term Expires 2010

David has held the position of Manager for Cruise Hunter for the past 3 years. Managed within Newcastle Port Corporation, Cruise Hunter was established to develop and grow the local cruise shipping industry in Newcastle.

David is responsible for developing and implementing a cruise strategy that will position Newcastle to capture the growing cruise industry in Australia. By coordinating and managing a stakeholder approach to cruise ship visits he ensures that each port call is a highly successful one and that the destination needs of the cruise industry are delivered.

Prior positions held by David include tourism and events departments for local government. In 2006 David was selected as a Young Tourism Ambassador for Tourism Australia during the Melbourne Commonwealth

Games. He was responsible for promoting a strategy aimed at encouraging Australians to take annual leave and travel within Australia.

## Leah Clarke

### South Australian Tourism Commission

Member 2009–10  
Term Expires 2011

Leah Clarke is a Business Manager for the Destination Development team of the South Australian Tourism Commission where she manages relationships with key access partners and identifies emerging opportunities in the areas of cruising, road and air access. Leah has a particular interest in increasing the number of cruise ship arrivals for South Australia and reducing impediments to access South Australian ports. In the past 6 months she has been instrumental in the development of the Southern Ocean Cruising strategy that focuses on attracting new ships to offer itineraries in and out of Adelaide, including regional port visits, and growing regional opportunities.

Leah has worked for the South Australian Tourism Commission for the past 9 years with experience in business advice, product development, accreditation, business and operator training and more recently she has worked for the Minister for Tourism providing tourism advice.

Prior to this she worked at the coalface in tourism ventures and for marketing consultants.



## Claire Willis

Abercrombie & Kent

Member 2009–10

Term Expires 2011

Claire has worked within the cruise industry for over 17 years, spending many years at sea as a purser, first for Premier Cruise Lines and then for Princess Cruises. Eight years ago she made the transition back to land and joined A&K Europe as Cruise Manager where she operated shore excursions around the UK and overland tours for cruise passengers throughout Europe.

Most recently, Claire joined A&K Australia as Cruise Manager, where she heads up a team of expert cruise professionals providing land services to cruise passengers all around Australia. Over the past 2 ½ years she has worked closely with local operators and tourism bodies to develop new product, improve existing product, and explore new opportunities for delivering top-quality experiences to cruise ship passengers visiting Australia.

With her many years in the industry, Claire has a deep understanding of the cruise industry, and has a wide network of contacts at all of the cruise lines. She has developed relationships around the country with local suppliers and has a wealth of knowledge about the cruise industry.

## Mark Crummy

Tourism NT

Member 2009–10

Term Expires 2010

Mark Crummy is the Director Global Distribution for Tourism NT with the core responsibilities of trade engagement, industry e-enablement and trade and industry marketing.

Mark has over 20 years operational experience in the tourism industry, owning and operating a Darwin-based safari business and now with some six years working for Tourism NT in primarily a stakeholder engagement and partnership marketing capacity.

With broad experience in the industry and first-hand engagement with the cruise market Mark recognises the valuable and increasing contribution this sector generates for the NT economy, in what is generally the low and shoulder season for Top End tourism. He is keen to develop increased opportunities for ground touring across the broad spectrum of operators based in and around Darwin, increasing the attractiveness of the Top End as a must-do cruise destination within Australia.

## Jill Abel

General Manager

February 2007 to June 2011

## Honorary Members

Tourism Australia

Matthew Cameron-Smith

Appointed July 2009

Ports Australia – Ex-Officio

David Anderson

Appointed February 2007



## Past Chairman

Richard Doyle

Tourism NT

Resigned in April 2010

Richard has been committed to the Australian tourism industry for 30 years. Richard spent the past 11 years working with Tourism NT responsible for the international markets and for Cruise and Aviation Development.



## governance principles

The Management Committee has overall responsibility for governance of the association. It delivers its responsibilities within sound governance principles in line with accepted business practices and is committed to the following governance regime:

- Scheduled Management Committee meetings,
- Annual General Meeting,
- Rules of Association,
- Charter (include Vision and Mission),
- Annual Operating Plan,
- Annual Report (including Financial Reporting/Auditing),
- Code of Conduct, [www.cruisedownunder.com](http://www.cruisedownunder.com)
- Risk Management/ Business Continuity Plan.

As a result, the primary focus of the Management Committee is on:

- setting a future direction for the association,
- ensuring it is accountable to its members,
- responsible financial management,
- reviewing the performance of the General Manager,
- identifying and managing key projects and issues,
- mitigating risk,
- increasing the association's membership levels.



## management committee meetings

The Management Committee conducted the following scheduled meetings:

#82	2 July 2009	Melbourne
#83 AGM	28 August 2009	Adelaide
#84	28 August 2009	Adelaide
#85	6 December 2009	Sydney
#86	26 February 2009	Teleconference
#87	17 May 2009	Melbourne

## Attendance at Management Committee Meetings

Record of attendance at scheduled Management Committee meetings:

Member	Meetings Attended	Meetings Eligible to Attend
Richard Doyle	5	5
Evda Marangos	6	6
Glenn Stephens	6	6
David Brown	6	6
Chris White	6	6
Claire Willis	5	5
Leah Clarke	5	5
Matthew Cameron-Smith	5	6
Jill Abel	6	6
John Treacy	1	1
Brett Dudley	0	1
Mark Crummy	0	1



## Sub-Committees and Portfolios

The Management Committee established sub-committees and allocated portfolio responsibilities as follows:

### Committees

#### Management Committee Focus 1, 2, 3, 4 and 5 *Rule 16*

Responsible for managing administration incl.

- Rules of Association
- Financial Management
- GM's Contract
- Succession Planning
- Legal and Property Matters
- Political Liaison

#### Executive (Chairman, Deputy Chairman, Treasurer)

*Rule 18 – Management Committee may delegate powers in the absence of the full Management Committee*

#### 2010 Conference Organising Committee – Focus 2 *Rule 18.2* (Chris White, Jill Abel, Sarah Murdoch (TQ) and Patrick Burns (Portside Wharf))

Responsible for:

- Cruise Conference
- Development and Education

### Portfolios

*Rule 13.9 – The portfolios of other Management Committee members shall be allocated by consensus of the Management Committee*

#### General Manager – Jill Abel Focus 1, 2 and 3

- Secretary of the Association
  - Annual General Meeting
  - Management Committee Meetings
  - Website Update
  - General Administration
- Seatrade Cruise Shipping Miami Convention
- US Industry Program
- Economic Impact Study
- Annual Govt/Ministers Meeting
- Travel Programs/Familiarisations
- Media/Spokesperson

#### FOCUS 1 – Chairman (Evda Marangos) Deputy Chairman until 30 April 2010

- Leadership
- Annual Report
- Annual Operating Plan
- Rules of Association/Governance
- Succession

#### NOTE: Chairman (Richard Doyle) until 30 April 2010

- Leadership
- Governance
- Political Liaison
- Media/Spokesperson
- Succession

#### FOCUS 3 – Deputy Chairman (Chris White) – Member until 30 April 2010

- Brand

#### FOCUS 1 – Treasurer (Glenn Stephens)

- Financial Management and Reporting
- Budget
- Insurance

#### FOCUS 1 – Member (David Brown)

- Risk/Business Continuity Plan

#### FOCUS 4 – Member (Claire Willis)

- Membership Strategy

#### FOCUS 3 – Member (Leah Clarke)

- Communications Strategy

#### FOCUS 5 – Unallocated Projects

- Stakeholder Strategy

# 2009–10 Annual Operating Plan

## Focus 1 Leadership and Governance

## Focus 2 Research and Insights

<p><b>Vision</b></p> <p>Develop the Australia, Asia and South Pacific region (CDU region) as a major world-class base and destination for cruise ships.</p> <p><b>Mission</b></p> <p>Cruise Down Under (CDU) is the peak cruise industry association growing and developing the Australian Pacific region as the world’s leading cruise destination providing economic, social and environmental benefits.</p> <p><b>Objectives</b></p> <p>To influence cruise and charter operators to develop itineraries and/or base their cruise ships in the CDU region.</p>	<p><b>Objectives</b></p> <p>Establish strategies to continue the recognition of CDU as the respected peak industry organisation</p>	<p>Provide CDU members with useful, accurate and meaningful research and customer information</p>
	<p><b>Key Outcomes 2009–10</b></p> <ul style="list-style-type: none"> <li>○ A successful succession strategy</li> <li>○ A robust governance regime</li> <li>○ Increased awareness on: <ul style="list-style-type: none"> <li>- role and structure of CDU</li> <li>- the cruise industry</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>○ An economic impact Study</li> <li>○ Effective communication between members and stakeholders</li> </ul>
	<p><b>Priority Projects 2009–10</b></p> <ul style="list-style-type: none"> <li>○ Review the future role and structure of CDU</li> <li>○ Develop funding strategies for future succession programs</li> <li>○ Prepare annual operating plan, annual report, financial report, budget</li> <li>○ Review other governance reports</li> </ul>	<ul style="list-style-type: none"> <li>○ Secure government funding to conduct research into the economic impact of cruising – Tourism Research Aust.</li> <li>○ Annual cruise conference (incl. industry sessions)</li> </ul>
	<p><b>Other Important Projects</b></p> <ul style="list-style-type: none"> <li>○ Conduct membership survey on the role and priorities for CDU</li> <li>○ Project CDU as the peak marketing body</li> <li>○ Communicate/liaise with Federal, State governments, trade media, industry to raise CDU profile</li> <li>○ Develop business continuity plan</li> </ul>	<ul style="list-style-type: none"> <li>○ Conduct State passenger surveys (use EIS questions for consistent data)</li> <li>○ Maintain a comprehensive customer database</li> </ul>
<p><b>Key Performance Indicators (KPIs)</b></p>	<ul style="list-style-type: none"> <li>○ Table reports at AGM</li> <li>○ Conduct briefings/meetings with Federal Government (DITR and DIMIA), Tourism Australia and Ports Australia</li> <li>○ Liaise/collaborate regularly with other peak organisations eg. STOs, ATEC, TTF and Ports Australia</li> </ul>	<ul style="list-style-type: none"> <li>○ Communicate the findings of the Economic Impact Study to members and stakeholders incl. Federal and State governments, members and industry</li> <li>○ Host 2010 cruise conference</li> </ul>

<p><b>Completed Projects in 2009–10</b></p>	<ul style="list-style-type: none"> <li>○ Annual Report</li> <li>○ Annual Operating Plan</li> <li>○ Financial Report and Budget</li> <li>○ Business Continuity Plan</li> <li>○ Participated in the National Sea Passenger Facilitation Committee meeting</li> </ul>	<ul style="list-style-type: none"> <li>○ Economic Impact Study 2009</li> <li>○ Cruise Conference</li> <li>○ Industry Sessions</li> <li>○ Passenger Surveys – Victoria, Tasmania, Darwin</li> <li>○ Communications Strategy</li> <li>○ Cruise Conference Miami and US Sales Mission report</li> <li>○ Cruise Down Under Brochure</li> </ul>
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### Focus 3

Position and Market the CDU region as a world-class destination

Market and promote the CDU region as an attractive and diverse cruise destination for world-class cruising

- An effective marketing program
- Effective communications and feedback to members, cruise lines and industry stakeholders

- Participate at Miami Cruise Conference
- Develop communications strategy
- Marketing plan for 2010
- New CDU brand

- US sales mission program
- Produce renewed promotional collateral
- Arrange famils to Australia
- Expand media list of contacts
- Assist members with cruise line appointments
- Review website

- Attend Cruise Conference Miami
- Meet US industry executives
- Circulate Sales Calls report
- Cruise ship executives visit Australia undertake famils

- US Sales Mission
- Launched new CDU brand
- Miami Cruise Conference incl. panel participation
- Media releases issued:
  - CDU Economic Study
  - Access Economics Report
  - Tourism Australia New CEO
  - CDU New Brand
  - CDU Conference Speakers

### Focus 4

Growing Membership

Grow membership and provide high-value benefits and services to CDU members

- Increase member numbers
- Increase awareness of membership benefits
- Retain current members

- Develop membership retention strategy
- Identify potential new members
- Review membership structure and fees
- Review/update membership collateral/brochure

- Review communications strategy for members
- Rotate management meetings in different locations
- Host industry sessions and brief senior executives incl. member organisations
- Survey/contact members re membership satisfaction levels/benefits

- Increase membership numbers
- Member satisfaction ratings
- Circulate:
  - Member Updates
  - Visiting Cruise Ship list

- Achieved 8 new members
- Management Committee meet in Sydney, Melbourne
- Membership Strategy
- Circulated membership survey results

### Focus 5

Stakeholder/Partnership Development

Develop closer and stronger relationships with all stakeholders and partners

- Increase stakeholder cooperation
- Understanding/awareness of stakeholders' objectives and operations

- Conduct a stakeholder survey
- Develop a stakeholder database
- Host stakeholder networking events

- Engage with stakeholders' decision makers, Tourism ministers, shadow ministers, Hon. members
- Nurture TA/DRET relationship

- Circulate/present stakeholder survey results
- Increase cruise sector profile
- Increase CDU profile as key industry association
- Circulate CDU News

- CDU News – 2 per annum
- Member's Updates
- Confirmed TA commitment
- Conducted industry events: Sydney



## project reports

### New CDU Brand

CDU launched its new branding and logo during Cruise Shipping Miami. The new logo received a positive response as being clean and modern, and the message of a ship sailing Down Under was clear and clever.

The launch included an advertorial in the conference daily newsletter which was distributed to all exhibitors and conference delegates.

The Cruise Shipping Miami and US Sales Mission Report (March 2010) was tabled at the May 2010 Management Committee meeting and circulated to members.

### Cruise Down Under Conference

The 2009 Cruise Down Under Conference was held in Adelaide in August and was sponsored by the South Australia Tourism Commission. The conference theme 'Riding the Cruise Boom' attracted 95 delegates from Australia, New Caledonia, New Zealand, Papua New Guinea and Indonesia. The conference was one of the most successful to date, with the following presentations:

- Cruising: Bucking the Trend: Ann Sherry AO, Carnival Australia
- Port and Terminal Developments: Chris Martin, Holland America Line
- Trends and Initiatives for the Luxury Market: Darius Mehta, Silversea Cruises.

Other speakers included:

- Grant Hunter, Classic International Cruises
- Gavin Smith, Royal Caribbean Cruises
- Matt Cameron-Smith, Tourism Australia
- Matt Hingerty, ATEC
- Simon Smith, AEC Group.

A panel session entitled 'Our Business to Business Relations' was followed by two breakout sessions:

- Ports and Infrastructure,
- International vs Domestic Shore Excursion Trends.



## Cruise Shipping Miami

Cruise Shipping Miami is a key promotional event on CDU's marketing program. In 2010 it was attended by the following members:

- Richard Doyle (CDU Chairman) – Tourism NT
- Leah Clarke – South Australia Tourism Commission
- Catherine Kasparian – Tourism NT
- Claire Willis – Abercrombie & Kent
- Narelle Ross – Tourism Australia
- Karen Stotz – Tourism Tasmania
- Irene Morgan – Tourism NSW
- Jill Abel – CDU General Manager.

Cruise Down Under and Cruise New Zealand (CNZ) again coordinated their participation at the Cruise Shipping

Miami with adjacent trade stands promoting the broader Australia/South Pacific region. The following Cruise Down Under members also had trade stands in the immediate vicinity contributing to the broader regional theme:

- Tourism Queensland/Brisbane Cruise Wharf
- New Caledonia Tourism South.

Formal discussions were held with the following cruise lines:

- Princess Cruises
- Royal Celebrity Tours
- RCI/Celebrity
- Princess Tours
- Holland America Line
- Silversea Cruises
- ResidenSea

- Royal Caribbean Tours
- MSC Cruises
- Fred Olsen Line
- Saga Cruise Line
- Regent Seven Seas Cruises
- Seabourn Cruise Line
- Cunard
- Marcia Wick & Associates.

There were very few issues/problems raised by cruise lines from the Australian 2009–10 season (excluding Sydney berthing options) and 95% of all discussions were focused on the upcoming 2010–11 and 2011–12 itineraries.

The growth over the next two years in actual port visits could realistically be up to 30% with additional ships being announced by Princess Cruises, Holland America, RCI, Celebrity, Costa and moving into 2012–13 with the arrival of MSC.

The international industry applauded the delivery of services and product provided by Australian ports and tourism operators. The industry is still very keen for new tourism product and lower port costs.

Chairman Richard Doyle participated on the deployment panel as part of the State of the Industry session. This demonstrated that Australia and the South Pacific region has significantly matured as a key cruise destination worthy of a view on the international stage. The opportunity also provided the organisation with exposure and promotion as the region's leading industry association.



From left: Leah Clarke, Richard Doyle, Jill Abel, Catherine Kasparian, Claire Willis, Narelle Ross, Karen Stotz.



## Economic Impact Study

The Management Committee continues to report on the economic benefits that cruise shipping brings to Australia.

The 2008–09 study undertaken by AEC Group was jointly funded by CDU and Tourism Australia. The study reports a total expenditure of \$746.4 million in 2008–09, including direct expenditure of \$387.1 million. This was a 32.2% increase from 2007–08 when total expenditure was estimated at \$564.5 million.

The following table highlights growth trends for the period 2007–08 to 2008–09:

## Comparison of Australian Cruise Ship Industry Demand Indicators

	2007–08	2008–09	Actual Change	% Change
Number of Australian ports visited by cruise ships	26	28	2	7.7%
<b>Cruise Ship Characteristics</b>				
Number of visiting cruise ships	34	38	4	11.8%
Passenger capacity of the cruise ships	38,140	42,291	4,151	10.9%
Number of crew on the cruise ships	17,764	19,513	1,749	9.8%
<b>Cruise Ship Visits</b>				
Number of cruise ship visits to ports	488	521	33	6.8%
<b>Passengers and Crew</b>				
Total passenger days at port	643,045	863,351	220,306	34.3%
Total crew days at port	296,308	393,216	96,908	32.7%
<b>Expenditure</b>				
Passengers (\$m) (a)	\$158.7	\$227.7	\$69.0	43.5%
Crew (\$m) (a)	\$26.2	\$38.7	\$12.5	47.7%
Port-related by operators (\$m)	\$139.3	\$171.6	\$32.3	23.2%

Note: (a) Includes both domestic and international expenditure.  
Source: CDU, Individual Ports, AECgroup

## Summary of Direct Expenditure by the Cruise Shipping Industry in Australia, 2008–09 (includes both Domestic and International Passenger and Crew Expenditure)

Port	Visit Days	Passenger Days At Port	Crew Days At Port	Direct Expenditure (\$m)			Total
				Passengers(a)	Crew	Operator	
<b>NSW:</b>							
Newcastle	3	2,295	1,607	\$0.2	\$0.1	\$0.2	\$0.5
Sydney Harbour	119	281,721	125,625	\$100.1	\$16.8	\$75.3	\$192.2
<b>Total</b>	<b>122</b>	<b>284,016</b>	<b>127,232</b>	<b>\$100.4</b>	<b>\$16.9</b>	<b>\$75.5</b>	<b>\$192.7</b>
<b>VIC:</b>							
Melbourne	56	97,398	45,264	\$26.8	\$3.8	\$33.7	\$64.3
Phillip Island	4	7,852	3,680	\$0.8	\$0.2	\$0.3	\$1.3
<b>Total</b>	<b>60</b>	<b>105,250</b>	<b>48,944</b>	<b>\$27.6</b>	<b>\$4.0</b>	<b>\$34.0</b>	<b>\$65.6</b>
<b>QLD:</b>							
Brisbane	62	142,857	58,620	\$52.3	\$7.3	\$28.0	\$87.6
Cairns	38	44,543	23,457	\$4.7	\$1.0	\$2.1	\$7.8
Cooktown	4	8,194	3,503	\$0.8	\$0.1	\$0.1	\$1.1
Mackay/Whitsundays	25	35,974	17,223	\$3.7	\$0.6	\$2.4	\$6.6
Port Douglas	4	3,908	3,114	\$0.4	\$0.1	\$0.1	\$0.6
Thursday Island	4	1,000	1,096	\$0.1	\$0.0	\$0.2	\$0.3
Townsville	9	11,489	5,570	\$1.2	\$0.2	\$0.9	\$2.2
<b>Total</b>	<b>146</b>	<b>247,964</b>	<b>112,583</b>	<b>\$63.2</b>	<b>\$9.4</b>	<b>\$33.7</b>	<b>\$106.2</b>
<b>SA:</b>							
Adelaide	16	16,924	8,772	\$4.9	\$0.9	\$0.9	\$6.7
Kingscote	3	1,123	532	\$0.1	\$0.0	\$0.1	\$0.2
Port Lincoln	2	1,016	432	\$0.1	\$0.0	\$0.1	\$0.2
<b>Total</b>	<b>21</b>	<b>19,063</b>	<b>9,736</b>	<b>\$5.1</b>	<b>\$0.9</b>	<b>\$1.0</b>	<b>\$7.1</b>
<b>WA:</b>							
Albany	12	12,599	5,607	\$1.3	\$0.2	\$0.5	\$2.0
Broome	14	12,650	5,792	\$1.3	\$0.2	\$0.5	\$2.1
Bunbury	7	5,665	3,382	\$0.6	\$0.1	\$0.3	\$1.0
Esperance	3	1,359	633	\$0.1	\$0.0	\$0.1	\$0.2
Exmouth	6	9,341	4,836	\$1.0	\$0.2	\$0.0	\$1.2
Fremantle	28	30,040	16,094	\$10.1	\$1.9	\$9.4	\$21.4
Geraldton	4	4,667	1,411	\$0.5	\$0.1	\$0.3	\$0.8
<b>Total</b>	<b>74</b>	<b>76,321</b>	<b>37,755</b>	<b>\$14.8</b>	<b>\$2.8</b>	<b>\$11.1</b>	<b>\$28.8</b>
<b>TAS:</b>							
Burnie	24	42,575	14,830	\$4.2	\$0.9	\$2.9	\$8.0
Coles Bay	2	3,578	1,545	\$0.4	\$0.1	\$0.2	\$0.7
Devonport	1	630	220	\$0.1	\$0.0	\$0.0	\$0.1
Hobart	38	52,595	25,054	\$5.2	\$1.4	\$2.8	\$9.4
King Island	1	101	102	\$0.0	\$0.0	\$0.0	\$0.0
Port Arthur	3	5,844	2,332	\$0.6	\$0.1	\$0.4	\$1.1
<b>Total</b>	<b>69</b>	<b>105,323</b>	<b>44,083</b>	<b>\$10.3</b>	<b>\$2.5</b>	<b>\$6.4</b>	<b>\$19.3</b>
<b>NT:</b>							
Darwin	29	25,414	12,883	\$6.3	\$2.2	\$9.9	\$18.4
<b>Total</b>	<b>29</b>	<b>25,414</b>	<b>12,883</b>	<b>\$6.3</b>	<b>\$2.2</b>	<b>\$9.9</b>	<b>\$18.4</b>
<b>Total</b>	<b>521</b>	<b>863,351</b>	<b>393,216</b>	<b>\$227.7</b>	<b>\$38.7</b>	<b>\$171.6</b>	<b>\$438.0</b>

Note: (a) Includes both domestic and international expenditure.  
Source: CDU, Individual Ports, AECgroup



## National Economic Impacts of Cruise Shipping in Australia

Impact	2007–08	2008–09	% Change
<b>Output (\$m)</b>			
Direct	\$293.6	\$387.1	31.9%
Indirect	\$271.0	\$359.3	32.6%
Total	\$564.5	\$746.4	32.2%
<b>Wages Income (\$m)</b>			
Direct	\$83.8	\$110.3	31.7%
Indirect	\$63.1	\$83.5	32.3%
Total	\$146.9	\$193.8	31.9%
<b>Employment (FTEs)</b>			
Direct	1,655	2,235	35.1%
Indirect	1,140	1,516	33.0%
Total	2,796	3,751	34.2%
<b>Value Added (\$m)</b>			
Direct	\$142.9	\$187.5	31.2%
Indirect	\$121.1	\$160.2	32.3%
Total	\$264.0	\$347.7	31.7%

Source: AECgroup

Cruise Down Under has secured the support of Tourism Australia to jointly fund the 2009–2010 economic impact study.

## Risk/Business Continuity Plan

The Risk/Business Continuity Plan was completed and adopted by the Management Committee in line with its governance regime. The plan will be reviewed by the incoming committee annually.

## Communications Strategy

A comprehensive Communications Strategy was adopted by the Management Committee.

## Membership Strategy

The following Membership Strategy was adopted by the Management Committee:

- Stage 1 – Membership retention
- Stage 2 – Potential new members.

The Management Committee resolved to implement Stage 1 through:

- Retain membership fee levels due to the economic impact of the GFC
- Offer membership rebate
- Communicate the benefits to members as a result of CDU's achievement during the year.



## future intent

A survey of CDU members undertaken during the 2009 AGM received 100% response and identified the following key areas as a priority for the future direction for the association:

- Leadership and Governance
- Research and Insight
- Position and Market the Cruise Down Under region as an attractive and diverse world-class destination
- Growing Membership
- Stakeholder and Partnership Development.





## about cruise down under

### CDU History

The first 10 years which outline the formative years of the association can be found at [www.cruisedownunder.com](http://www.cruisedownunder.com)

In the first 10 years, Cruise Down Under cemented its position as the peak marketing body for cruise tourism in this region. Through their association with CDU, members are now able to have access to a professional body which has made significant advances in providing quality information and cruise marketing collateral through its website and participation at the annual Seatrade Cruise Shipping Convention in Miami.

David Brown, Cruise Hunter joined the Management Committee in 2008 replacing Judy Wood from Bob Wood Travel Group. David provides input from a regional destination perspective.

In 2009 Claire Willis, Abercrombie and Kent and Leah Clarke, South Australia Tourism Commission replaced Brett Dudley and John Treacy on the Management Committee.

In April 2010 Richard Doyle resigned as Chairman of CDU following his resignation from Tourism NT. It was during Richard's chairmanship that the organisation achieved a strong position on the international stage as the key industry body for the Australia and South Pacific region, a sound financial position, an increase in membership and a rigorous governance regime for the management committee.



## record of past annual general meetings and cruise conferences

Year	Destination	No. of Attendees	Date
2009	Adelaide	95	26–28 August 2009
2008	Melbourne	110	27–29 August
2007	Darwin	85	29–31 August
2006	Cairns	115	23–25 August
2005	Fremantle	49	31 August/2 September
2004	Noumea	59 (inc CNZ)	21–22 August
2003	Launceston	42	27–28 August
2002	Adelaide	40	24–25 September
2001	Melbourne	39	28–29 August
2000	Darwin	20	18 August
1999	Sydney	27	18 August
1998	Brisbane	23	30 September
1997	Cairns	28	2–4 November



## immediate past management committee

### 2009–10

Chairman	Deputy Chairman	Treasurer	Member	Member	Member	Member	Tourism Aust.	General Manager
<b>Evda Marangos</b> Port of Melbourne Corporation	<b>Chris White</b> Tourism Victoria	<b>Glenn Stephens</b> Fremantle Ports	<b>David Brown</b> Cruise Hunter	<b>Mark Crummy</b> Tourism NT	<b>Claire Willis</b> Abercrombie & Kent	<b>Leah Clarke</b> South Australia Tourism Commission	<b>Matthew Cameron-Smith</b>	<b>Jill Abel</b>

Note: The following positions were held until the resignation of the Chairman when the Management Committee elected a new Chairman and Deputy Chairman.

- Richard Doyle, Tourism NT – Chairman until 30 April 2010
- Evda Marangos, Port of Melbourne Corporation – Deputy Chairman until 1 May 2010
- Chris White, Tourism Victoria – Member until 17 May 2010

### 2008–09

Chairman	Deputy Chairman	Treasurer	Member	Member	Member	Member	Tourism Aust.	General Manager
<b>Richard Doyle</b> Tourism NT	<b>Evda Marangos</b> Port of Melbourne Corporation	<b>Glenn Stephens</b> Fremantle Ports	<b>David Brown</b> Cruise Hunter	<b>Chris White</b> Tourism Victoria	<b>Claire Willis</b> Abercrombie & Kent	<b>Leah Clarke</b> South Australia Tourism Commission	<b>Dawn Howell</b>	<b>Jill Abel</b>

### 2007–08

Chairman	Deputy Chairman	Deputy Vice Chairman	Treasurer	Member	Member	Member	Tourism Aust.	General Manager
<b>Richard Doyle</b> Tourism NT	<b>Judy Wood</b> Bob Wood Travel Group	<b>Brett Dudley</b> ecruising. travel	<b>Glenn Stephens</b> Fremantle Ports	<b>Chris White</b> Tourism Victoria	<b>Evda Marangos</b> Port of Melbourne Corporation	<b>John Treacy &amp; Associates Pty Ltd</b>	<b>Wendy Hills</b>	<b>Jill Abel</b>

Prof. Ross Dowling, Academic Advisor to the Chairman since December 2005.

Past Management Committees – 1997–98 and 2007–08 refer to [www.cruisedownunder.com](http://www.cruisedownunder.com)



## members register

CDU boasts 66 members as at 30 June 2010:

Name	Person	Level	Votes	Member Since
About South Australia	Sandy Pugsley	Bronze	1	2009
Ports Australia	David Anderson	Honorary	Nil	2005
AAT Kings	Kimberley Tindall	Bronze	1	2005
Abercrombie & Kent	Claire Willis	Silver	1	2002
Admirals Casinos	Michael Hackman	Bronze	1	2003
Albany Port Authority	Brad Williamson	Gold	1	1998
Australian Pacific Touring	Fleur Ulbrick	Bronze	1	2007
Australian Shipping Supplies	Richard Fader	Bronze	1	2006
The AOT Group P/L	Gary Paterson	Silver	1	2001
The Australian Opal and Diamond Collection	Joseph Dimasi	Bronze	1	2002
Australian Reef Pilots	Alan Maffina	Silver	1	1999
Australian Shoreside Management	Deborah Summers	Silver	1	2009
Bob Wood Cruise Group	Tyler Wood	Silver	1	1998
Brisbane Cruise Wharf	Patrick Burns	Platinum	1	2004
Burnie City Council	Stephen Hite	Gold	1	1998
Carnival Australia	Mike Drake	Silver	1	2006
Christmas Island Tourism Association	Linda Cash	Bronze	1	2008
City of Fremantle	David Duncanson	Silver	1	2008
City of Greater Geelong	Roger Grant	Bronze	1	2001
Cruise Eden	Gail Ward	Silver	1	2001
Cruise Hunter	David Brown	Gold	1	2001
Darwin Port Corporation	Robert Ritchie	Platinum	1	1995
Dept Resource Energy & Tourism	Leigh Kennedy	Honorary	Nil	1993
Dept of Transport – Victoria	Mark Curry	Bronze	1	2000
DEEDI - Queensland	Mark Jones	Bronze	1	2003
Doctor Cruise	K. Toko Yatsuki	Bronze	1	2004

Name	Person	Level	Votes	Member Since
ecruising.travel	Brett Dudley	Bronze	1	2003
Eurobodalla Coast Tourism	Catherine Reilly	Bronze	1	2009
Fantasea Cruises	Steve Neale	Gold	1	1998
Fremantle Ports	Glenn Stephens	Platinum	1	1995
Flinders Ports	Carl Kavina	Platinum	1	2009
Geraldton Port Authority	Melanie Davies	Gold	1	2007
Glenelg Shire Council	Elizabeth Foreman	Bronze	1	2010
Indonesia, Ministry of Culture and Tourism	Rizha Handayani	Gold	1	2009
Kuranda Scenic Railway	Andrew Kennedy	Bronze	1	2008
Melbourne Star Cruises	Tim Ryan	Bronze	1	2008
Mike Bartlett	Mike Bartlett	Honorary	Nil	2007
Northern Highland Tourism P/L	Jenny Aitchison	Bronze	1	2009
New Caledonia Tourism – South	Jean Michel Foutrein	Platinum	1	2001
Papua New Guinea Tourism	Sarah Brooks	Platinum	1	2005
Port Arthur Historic Site	Andrew Ross	Gold	1	2007
Port of Broome	Capt. Vic Justice	Gold	1	1999
Port Lincoln	Liz Penfold	Bronze	1	2007
Port of Melbourne Corporation	Evda Marangos	Platinum	1	2005
Ports North	Michael Barnett	Platinum	1	1993
Port of Portland	Cpt. Peter Gracias	Bronze	1	2007
Port of Townsville Ltd	Barry Holden	Gold	1	2002
Royal Botanic Gardens	Matt Jones	Bronze	1	2008
Royal Caribbean International	Gavin Smith	Silver	1	2008
South Australian Tourism Comm	Rebecca White	Platinum	1	1998
Sunlover Reef Cruises	Amanda Scarrow	Bronze	1	2006
Sydney Ports Corporation	Phil Rosser	Platinum	1	1993
Tasmanian Travel & Information Centre	Anne McVilly	Bronze	1	2009
Tasports - Hobart	Paul Weedon	Platinum	1	1993
Tasports - Devonport/Launceston	Charles Black	Gold	1	1998
Thompson Clarke Shipping P/L	Richard Stevens	Bronze	1	2005
Tourism Australia	Dawn Howell	Honorary	Nil	1993
Tourism NT	Mark Crummy	Platinum	1	1998
Tourism New South Wales	Lyndel Gray	Platinum	1	1995
Tourism Queensland	Ann Hooper	Platinum	1	1994
Tourism Tasmania	Karen Fraser	Platinum	1	1998
Tourism Tropical North Queensland	Marcus Brady	Silver	1	2008
Tourism Victoria	Chris White	Platinum	1	1998
Tourism Western Australia	Renata Lowe	Platinum	1	1998
Townsville Enterprise	Trevor Goldstone	Silver	1	1998
Wilhelmsen Ships Service	Greg Coopman	Silver	1	1998

*Note: Members listed prior to 1998 were organisations operating as a cruise committee. This committee was affiliated with the Cruising Down Under brand as administered at the time by the Australian Tourist Commission.*



The Management Committee endorsed the following new members during 2009–10:

- About South Australia
- Australian Shoreside Management
- Flinders Ports
- Indonesian Ministry of Culture and Tourism
- Northern Highland Travel
- Tasmanian Travel and Information Centre
- Glenelg Shire Council
- Eurobodalla Coast Tourism.

The Management Committee accepted resignations from the following member/s during 2009–10:

- Inchcape Shipping Services
- Cairns Seaplanes
- Southern Star Observation Wheel
- Cruise Whitsundays
- John Treacy & Associates
- Townsville City Council
- General Travel Australia
- Hamilton Island Enterprises.





## acknowledgments

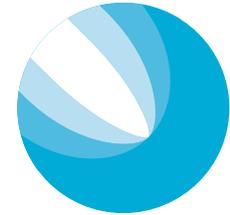
Cruise Down Under acknowledges the following organisations for their in-kind support, including making available resources and facilities which enabled the Cruise Down Under Management Committee to conduct its regular meetings during 2009–10.

- Abercrombie & Kent
- Fremantle Ports
- Port of Melbourne Corporation
- Newcastle Port Corporation
- South Australia Tourism Commission
- Tourism Australia
- Tourism NT
- Tourism Victoria



### Images used in this Annual Report have been provided courtesy of:

Albany Port Authority, New Caledonia Tourism – South, Fremantle Ports, Port of Broome, South Australia Tourism Commission, Sydney Ports, Tourism NT, Tourism Tasmania, Tourism Queensland, Tourism Victoria, Wings Photography.



**CRUISE**  
**DOWNUNDER**  
*your first port of call*

# annual financial report for the year ended 30 June 2010

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## Statement of Financial Performance

### Year ended 30 June 2010

	Notes	2010 (\$)	2009 (\$)
Income From Ordinary Activities		318,160	357,587
Other Expenses From Ordinary Activities		259,932	284,769
Profit From Ordinary Activities		58,228	72,818
Income Tax Relating To Ordinary Activities		0	0
Profit From Ordinary Activities		58,228	72,818
Net Surplus Attributable to Members of CDU		58,228	72,818

## Statement of Financial Position as at 30 June 2010

Notes	2010 (\$)	2009 (\$)
<b>Current Assets</b>		
Cash assets	469,160	392,050
Receivables - debtors		
Prepayments	13,036	5,210
<b>Total Current Assets</b>	<b>482,196</b>	<b>397,260</b>
<b>Non-Current Assets</b>	<b>0</b>	<b>0</b>
<b>Total Non Current Assets</b>	<b>0</b>	<b>0</b>
<b>Total Assets</b>	<b>482,196</b>	<b>397,260</b>
<b>Current Liabilities</b>		
Payables	326	0
Subscriptions in advance	79,430	60,066
Other amounts received in advance	24,018	17,000
<b>Total Current Liabilities</b>	<b>103,774</b>	<b>77,066</b>
<b>Non-Current Liabilities</b>	<b>0</b>	<b>0</b>
<b>Total Non-Current Liabilities</b>	<b>0</b>	<b>0</b>
<b>Total Liabilities</b>	<b>103,774</b>	<b>77,066</b>
<b>Net Assets</b>	<b>378,422</b>	<b>320,194</b>
<b>Members Funds</b>		
Retained surpluses	378,422	320,194
<b>Total Members Funds</b>	<b>378,422</b>	<b>320,194</b>

## Statement of Cash Flows

### Year ended 30 June 2010

Notes	2010 (\$)	2009 (\$)
<b>Cash Flows From Operating Activities</b>		
<b>Receipts</b>		
Membership	94,995	72,658
Membership In advance	79,430	60,066
EMDG	25,228	21,934
Tourism Australia	15,000	18,636
Seatrade Miami	16,915	19,168
Other (including interest)	111,251	99,885
GST receipts	27,928	23,211
ATO reimbursement	2,214	1,983
<b>Total</b>	<b>372,961</b>	<b>317,542</b>
<b>Payments</b>		
Administration	81,426	76,837
Marketing	186,167	146,764
GST payments	18,443	14,718
ATO payment	10,363	16,518
<b>TOTAL</b>	<b>296,398</b>	<b>254,837</b>
<b>Net Cash From Operating Activities</b>	<b>77,110</b>	<b>62,705</b>
<b>Cash From Investing Activities</b>		
Proceeds	0	0
Payments	0	0
<b>Net Flows from Investing Activities</b>	<b>0</b>	<b>0</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds	0	0
Payments	0	0
<b>Net Flows from Financing Activities</b>	<b>0</b>	<b>0</b>
<b>Net Increase (Decrease) in Cash Held</b>	<b>77,110</b>	<b>62,705</b>
Add Opening Cash B/Fwd	392,050	329,345
<b>Closing Cash Carried Forward</b>	<b>469,160</b>	<b>392,050</b>

# 1. Summary of Significant Accounting Policies

## (a) Basis of Accounting

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the *Associations Incorporation Act 1964* and to report to the management and to providers of funding generally, as appropriate.

The management committee has determined that Cruise Down Under Inc. is not a reporting entity as defined in Statement of Accounting Concepts 1: Definition of the Reporting Entity, and therefore there is no requirement to apply accounting standards and other mandatory professional reporting requirements in preparation and presentation of these statements and none have been intentionally adopted.

The financial report has been prepared on an accrual basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuation of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

## (b) Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash includes cash on hand and in banks, and money market investment readily convertible to cash within 2 working days, net of outstanding bank overdrafts.

Bank overdrafts are carried at the principal amount. Interest is charged as an expense as it accrues.

## (c) Trade and Other Receivables

Trade receivables are recognised and carried at original invoice amount less any provision for doubtful debts. A provision for doubtful debts is recognised when collection of the full amount is no longer probable. Bad debts are written off as incurred.

## (d) Trade and Other Payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future of goods and services received whether or not billed to the association.

## (e) Income Tax

The association is exempt from income taxation under section 50.50 of the *Income Tax Assessment Act 1997*, formerly subparagraph 23(e) of the *Income Tax Assessment Act 1936*, and therefore no provision has been made for income tax.

## 2. Revenue from ordinary activities

	2010 (\$)	2009 (\$)
<b>(a) Revenue from Operating Activities</b>		
Revenue from Members' Subscriptions		
Current Year	94,995	72,569
Next Year	79,430	60,066
TA Funded Projects	15,000	18,636
EMDG Proceeds from Austrade	25,228	21,934
Cruise Shipping Miami Convention		
Reimbursements	16,915	19,168
Revenue from Services (include annual conferences)	113,298	99,767
<b>Total Cash Revenue from Ordinary Activities</b>	<b>344,866</b>	<b>292,230</b>
Cash Revenue from Operations	344,866	292,230
Less		
Subscriptions 2010/11 prepaid	79,430	(60,066)
Prepaid Conference Fees	24,018	(17,000)
GST Payments Net	326	0
Plus		
Subscriptions 2009/10 received in 2008/09	60,066	92,750
Conference Fees 2009/10 received in 2008/09	17,000	49,673
<b>INCOME FROM ORDINARY ACTIVITIES</b>	<b>318,160</b>	<b>\$357,587</b>

### (b) Reconciliation of Net Cash provided by operating activities to profit from ordinary activities

Profit from ordinary activities after income tax	58,228	72,818
Changes in assets & Liabilities		
Increase (decrease) in payments in advance	(7,826)	55,244
Increase (decrease) in subscriptions in advance	19,364	(34,684)
Increase (decrease) in other amounts received in advance	(7018)	(32,673)
Increase in payables	326	0
<b>Net cash provided by operating activities</b>	<b>77,110</b>	<b>\$62,705</b>
Cash at the beginning of the financial year	392,050	329,345
Cash at the end of the financial year	469,160	\$392,050

## 2. Revenue from ordinary activities (continued)

### (c) Members' Subscriptions

For 2009/10 CDU has the following membership:	No.	2010 (\$)	No.	2009 (\$)
Platinum	17	81,848	16	96,291
Gold	10	40,912	10	30,091
Silver	12	15,091	13	19,618
Bronze	23	16,399	23	18,713
Honorary	4	0	4	0
<b>Total</b>	<b>66</b>	<b>154,250</b>	<b>66</b>	<b>164,714</b>

Membership received in advance for 2010/11 was \$80,244.

### (d) EMDG

A major source of income for 2009/10 was again the Export Marketing Development Grant available through Austrade. The CDU application was successful in obtaining \$25,228 after the commission paid to consultants Stephen Hamilton and Associates.

### (e) Revenue from Other Services

	2010 (\$)	2009 (\$)
Conference Receipts (Adelaide)	70,742	68,113
Conference Receipts (Brisbane)	24,127	17,800
Newsletter Sponsorship, Other Revenue	1,000	0
Interest	12,791	13,735
<b>Total</b>	<b>108,660</b>	<b>\$99,885</b>

### 3. Expenses & Losses (Gains)

	2010 (\$)	2009 (\$)
<b>(a) Expense</b>		
Administration – Secretariat	81,593	76,836
– GST from 2008	0	5,315
Marketing – Newsletters/Media	8,125	7,625
– Website	5,728	8,399
– EMDG	3,803	3,130
– Cruise Shipping Miami/Cruise Company Calls	66,789	64,377
– Research Project	13,078	10,006
– Guide/Logo	3,719	4,343
– Cruise New Zealand	2,875	2,625
– Cruise Industry	5,000	3,625
– 2009 & 2010 Conference Expenses	60,452	16,164
– Venue Hire	0	0
– Legal	0	5,962
– Famils Cruise Industry	16,597	20,508
– Refund Membership	0	14,325
<b>Sub Total</b>	<b>267,758</b>	<b>228,915</b>
<i>Plus / Less Prepayments (2009)</i>	<i>(7,826)</i>	<i>55,854</i>
<b>Total</b>	<b>259,932</b>	<b>\$284,769</b>

#### (b) General Manager Costs

In 2009/10, CDU contracted the services of Abel Event Management to undertake the role of General Manager.

Administration	44,813	46,462
Marketing	30,188	28,313
Attendance Cruise Shipping Miami	12,980	17,214
<b>Total</b>	<b>87,980</b>	<b>92,089</b>

#### (c) Disbursements

Expenses (other than labour and excluding GST) associated with operating the Secretariat for the twelve months (1 July – 30 June) are outlined below:

Communications (phone, fax, email)	4,027	4,013
Office Expenses (stationery, printing etc)	127	350
Miscellaneous (AGM speakers expenses, reception expenses and part-time staff)	4,400	800
<b>Total</b>	<b>8,554</b>	<b>5,163</b>

### 3. Expenses & Losses (Gains) (continued)

#### (d) Cruise Shipping Miami/Cruise Company Calls

Cruise Shipping Miami is recognised as the most significant annual cruise convention held and CDU has participated since 1994.

In addition to the Cruise Shipping Miami Convention, calls were made on cruise companies in USA, marketing Australia as a cruise destination.

	2010 (\$)	2009 (\$)
Exhibition Costs	30,239	39,324
General Manager's attendance and expenses	12,417	15,428
Chairman's attendance and expenses	13,258	0
Secretariat expense	10,875	8,125
Brochure	0	1,500
<b>Total</b>	<b>66,789</b>	<b>\$64,377</b>
<i>Less reimbursements</i>	16,915	19,168
<b>Net cost</b>	<b>49,874</b>	<b>\$45,209</b>

#### (e) Newsletter/Members Updates/Media Liaison

The membership received internal and external newsletters (distributed to the cruise industry) in 2009/10.

The costs associated with these amounted to:

Media Liaison	3,438	3,000
Newsletters	4,688	4,625

### 4. Reconciliation of Cash

Cash at Bank	107,973	142,050
Cash on Deposit	361,187	250,000
<b>Total</b>	<b>469,160</b>	<b>392,050</b>

### 5. Retained Surplus (Members Funds)

Profit (loss) from ordinary activities after income tax expense	58,228	72,818
Retained profits at the beginning of the financial year	320,194	247,376
<b>Retained Profits at the end of the Financial Year</b>	<b>378,422</b>	<b>\$320,194</b>

### 6. Remuneration of Management Committee

No remuneration is made to any member of the Management Committee.

### 7. Auditor's Remuneration

Amounts received or due and receivable by the Auditors, Kevin Gumley Chartered Accountant for audit of financial statements

1,900	\$1,595
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### 8. Segment Information

The association operates predominantly in one industry – tourism/marketing of cruise destinations in Australia.

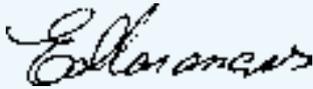
## Management Committee Declaration

In the opinion of the Management Committee:

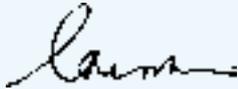
The accompanying financial statements of Cruise Down Under have been prepared in accordance with generally accepted accounting principles from proper accounts and records and represent fairly the financial transactions for the year ended 30 June 2010 and the financial position at 30 June 2010.

At the date of signing, we are not aware of any circumstances which would render the particulars included in the Financial Statements misleading or inaccurate.

There are reasonable grounds to believe the association will be able to pay its debts as and when they become due and payable.



**Chairman**



**Treasurer**

Dated: 30 June 2010

## Auditor's Declaration

**KEVIN GUMLEY**  
Chartered Accountant

173 Macquarie Street Hobart Tasmania 7000  
Telephone: (03) 6223 7850 Fax: (03) 6223 8827  
Email: kmgumley@bigpond.net.au  
ABN 62 093 900 121

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**INDEPENDENT AUDITORS REPORT TO THE MEMBERS  
OF  
CRUISE DOWN UNDER INCORPORATED**

**Report on the Financial Report**

I have audited the accompanying financial report, being a special purpose financial report, of Cruise Down Under Incorporated (the association), which comprises the balance sheet as at 30 June 2010, and the income statement, and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes and the Statement by Members of The Management Committee.

**The Management Committee's Responsibility for the Financial Report**

The Management Committee is responsible for the preparation and fair presentation of the financial report and has determined that the accounting policies described in Note 1 to the financial statements which form part of the financial report are consistent with the financial reporting requirements of The Associations Incorporations Act (Tas) 1984 and are appropriate to meet the needs of the members. The Management Committee's responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

My responsibility is to express an opinion on the financial report based on my audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. I conducted the audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management Committee, as well as evaluating the overall presentation of the financial report.



**Chartered Accountant**

The financial report has been prepared for distribution to members for the purpose of fulfilling the Management Committee's financial reporting under The Associations Incorporations Act (Tas) 1984. I disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

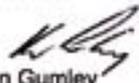
I believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Independence**

In conducting my audit, I have complied with the independence requirements of the Australian professional accounting bodies.

**Auditor's Opinion**

In my opinion, the financial report presents fairly, in all material respects, the financial position of Cruise down Under Incorporated as of 30 June 2010 its financial performance and cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.



Kevin Gumley  
Chartered Accountant  
173 Macquarie Street  
Hobart TAS  
Dated this 3rd day of August 2010





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Cruise Down Under (CDU) is the cooperative body marketing Australian and Pacific destinations to the international cruise industry.

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