

Study Results Detail Cruise Industry's \$35.7 Billion Contribution to U.S. Economy

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Cruise Industry Spending Supports 348,000 Jobs, Impacts Every State

The North American cruise industry last year generated \$35.7 billion in gross U.S. economic output and supported 348,000 American jobs paying \$14.7 billion in wages, according to a new report prepared for Cruise Lines International Association (CLIA).

The report shows total cruise industry spending increased by 10 percent in 2006 and finds that the overall spending had an impact in all 50 states.

Direct purchases by the cruise lines for goods and services such as food and beverage, fuel, equipment, business services, port services, vessel maintenance and repair as well as purchases by crew and passengers of goods and services related to cruising, including pre- and post-cruise stays, airfare and lodging, totaled \$17.6 billion in 2006. Adding the indirect economic impacts, such as transportation services to deliver finished products to the cruise lines and utilities needed to run manufacturing equipment, the total economic impact generated by the cruise industry was \$35.7 billion.

The economic impact of the cruise industry reached into every state, with 79 percent of direct purchases and 83 percent of total employment and income concentrated in 10 states: Florida, California, Texas, Alaska, New York, Hawaii, Georgia, Washington, Illinois and Massachusetts. U.S. ports also saw the benefits from a growing cruise industry. Embarkations at U.S. ports increased by over 4 percent, totaling 9 million, and accounted for 75 percent of total global embarkations.

The Contribution of the North American Cruise Industry to the U.S. Economy in 2006 study was conducted by Business Research & Economic Advisors (BREA) in Exton, Pa., and analyzes the economic benefits to the U.S. economy from five principal sources: spending by cruise passengers and crew, shoreside staffing by cruise lines in U.S. cities, expenditures by cruise lines for goods and services, cruise line spending for U.S. port services, and expenditures in U.S. shipyards for maintenance and repair.

"Given North America's importance in the global cruise market, it is gratifying to report that it is also hits the mark on such critical economic factors as spending output and employment," said Terry L. Dale, CLIA's president and CEO. "The U.S. economic benefits for 2006 reflect what we believe is a healthy rate of growth that supports an expanding industry."

Among the factors behind the 2006 economic impact:

In 2006, 12 million people worldwide took a cruise vacation, an increase of 7 percent over 2005.

U.S. residents accounted for 78 percent of the industry's total passengers.

The top 10 U.S. cruise ports by cruise embarkations in 2006 were: Miami, Port Canaveral, Port Everglades, Galveston, Los Angeles, New York, Tampa, Long Beach, Seattle and Honolulu.

Based on passenger survey data, approximately 40 percent of embarking passengers stayed one or more nights in a port city and averaged \$289 per visit.

Global industry revenues increased 7 percent to \$20.6 billion.

The \$17.6 billion in direct spending created over 153,800 direct jobs paying \$5.7 billion in wages.

By year-end 2006, the cruise industry's fleet had increased to 151 vessels with a combined capacity of 249,691 lower berths.

The cruise industry operated in 2006 at an occupancy rate of 104 percent.

The full economic study and summary can be downloaded from CLIA's Web site, www.cruising.org. Information on the top states benefiting from cruise industry purchases also can be found on CLIA's Web site for: Florida, California, Texas, Alaska, New York, Hawaii, Washington, Illinois, Massachusetts, Pennsylvania, Maryland and Louisiana.

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