

Economic Contribution of Cruise Tourism in Southeast Asia – 2014 Major Findings

During 2014 there were a total of 1,672 cruise ship calls at the ports of the five SE Asia countries. Twenty-five percent (25%) of these were turnaround port calls while 75% were transit and overnight port calls. On a country basis, Malaysia had the highest number of transit and total calls, accounting for 35% of transit port calls and 30% of total cruise ship calls in the region. Singapore had the highest volume of turnaround calls, accounting for 63% of all turnaround calls in the region. These port calls generated 3.43 million passenger and crew onshore visit days during 2014. Forty-four percent (44%) of these visit days were generated by turnaround passengers. Transit passengers also accounted for 44% of the total with crew onshore visits accounting for the remaining 12%.

As shown in **Table 1**, the key impacts of cruise tourism in SE Asia during 2014 are as follows:

- The 1,672 cruise ship calls at SE Asia ports generated just over 3.0 million passenger visit days and just over 422,000 crew visit days.
- Visit days generated by turnaround passengers embarking on their cruises at SE Asia cruise ports totaled 1.51 million days, half of total passenger visit days.

Table 1: Cruise Ship Calls and Expenditures – SE Asia - 2014

	Region Total	Indonesia	Malaysia	Singapore	Thailand	Vietnam
Cruise Calls						
Transit	1,066	139	368	28	237	294
Turnaround	423	12	132	267	11	1
Overnight	183	25	5	40	45	68
Total	1,672	176	505	335	293	363
Passenger and Crew Visit Days						
Turnaround Passengers	1,512,934	11,763	434,630	1,031,553	34,394	594
Transit/Overnight Passengers	1,498,138	139,685	503,841	84,157	379,735	390,720
Crew	422,598	28,668	138,649	100,883	75,918	78,480
Total	3,433,670	180,116	1,077,120	1,216,593	490,047	469,794
Direct Expenditures (\$US Million)						
Turnaround Passengers	\$ 1,273.77	\$ 8.54	\$ 315.14	\$ 924.72	\$ 24.94	\$ 0.43
Transit/Overnight Passengers	\$ 198.11	\$ 20.48	\$ 35.53	\$ 12.62	\$ 71.52	\$ 57.96
Crew	\$ 22.90	\$ 1.89	\$ 8.47	\$ 5.64	\$ 4.00	\$ 2.90
Cruise Lines	\$ 166.32	\$ 5.94	\$ 5.05	\$ 148.69	\$ 3.39	\$ 3.25
Total	\$ 1,661.10	\$ 36.85	\$ 364.19	\$1,091.67	\$ 103.85	\$ 64.54

- Cruise ports in Malaysia and Singapore generated over one million passenger and crew visit days. Singapore was the principal turnaround port generating 1.03 million turnaround passenger visit days, accounting for 68% of total turnaround passenger visit days in the SE

Asia region. Malaysia led the region with just over 500,000 transit and overnight visit days which accounted for one-third of transit and overnight passenger visit days throughout SE Asia.

- Direct expenditures generated by cruise lines and their passengers and crew totaled \$1.66 billion across all cruise destinations in the five SE Asia countries.¹
- Cruise passengers spent a total of \$1.47 billion, 89% of total direct expenditures, at SE Asia cruise ports.
- Turnaround passengers spent an estimated \$1.27 billion, 87% of total passenger expenditures, with transit and overnight passengers spending \$198 million.
- Turnaround passengers spent an average of \$842 per visit day² while transit passengers spent an average of \$132 per visit day.
- Three categories, accommodations, food and beverages and shore excursions, accounted for 54% of total passenger onshore expenditures and totaled \$791 million.
- Crew spent \$22.9 million at SE Asia cruise ports with an average expenditure of \$54 per crew visit.
- Cruise lines spent \$166 million in operating and administrative expenses (excluding wages and salaries of resident cruise line employees), 10% of direct cruise tourism expenditures in SE Asia.

The \$1.66 billion in direct cruise tourism expenditures made a significant contribution to the economies of the SE Asia countries during 2014. These impacts are shown in **Table 2** and are as follows:

- The direct economic contribution of cruise tourism in SE Asia consisted of the \$1.66 billion in direct expenditures, \$844 million in value added and 19,396 full- and part-time jobs paying \$294 million in employee compensation.
- Three sectors of the economies of the five SE Asia countries, wholesale and retail trade, lodging and food services and transport, were the primary direct beneficiaries of cruise tourism spending. Combined, these three sectors accounted for approximately 75% of the regional direct impacts with \$1.24 billion in direct expenditures, \$704 million in value-added and 14,476 full- and part-time jobs paying \$223 million in employee compensation.
- Combining the direct, indirect and induced contributions, the total economic contribution of cruise tourism in the five SE Asia economies amounted to \$3.35 billion in output, \$1.78 billion in value-added and 33,918 full- and part-time jobs paying \$639 million in employee compensation.
- The total economic contribution is more diverse than the direct contribution. The top three sectors consisted of wholesale and retail trade, financial and business services and transport. These three sectors accounted for approximately 70% of the total impacts with \$2.25 billion in output, \$1.32 billion in value-added and 24,117 full- and part-time jobs paying \$495 million in employee compensation.

¹ All dollar (\$) denominated figures are in U.S. dollars unless noted otherwise.

² Includes pre-paid expenditures primarily for accommodations.

Table 2: Economic Contribution of Cruise Tourism in SE Asia by Country, 2014

Sector	Output (\$ Mil)	Value-Added ^① (\$US Mil)	Compensation (\$ Mil)	Employment
Indonesia				
Direct	\$ 36.9	\$ 18.8	\$ 10.2	590
Indirect and Induced	\$ 40.9	\$ 17.0	\$ 6.1	358
Total	\$ 77.8	\$ 35.8	\$ 16.3	948
Malaysia				
Direct	\$ 364.2	\$ 118.6	\$ 40.8	4,313
Indirect and Induced	\$ 561.9	\$ 200.6	\$ 32.4	3,622
Total	\$ 926.1	\$ 319.2	\$ 73.2	7,935
Singapore				
Direct	\$ 1,091.7	\$ 634.2	\$ 219.0	12,063
Indirect and Induced	\$ 877.4	\$ 645.5	\$ 288.3	9,216
Total	\$ 1,969.1	\$ 1,279.7	\$ 507.3	21,279
Thailand				
Direct	\$ 103.9	\$ 43.1	\$ 14.1	1,512
Indirect and Induced	\$ 131.9	\$ 48.7	\$ 11.6	702
Total	\$ 235.8	\$ 91.8	\$ 25.7	2,214
Vietnam				
Direct	\$ 64.5	\$ 29.0	\$ 9.4	918
Indirect and Induced	\$ 78.7	\$ 21.5	\$ 7.2	624
Total	\$ 143.3	\$ 50.5	\$ 16.6	1,542
SE Asia Region Total				
Direct	\$ 1,661.1	\$ 843.7	\$ 293.5	19,396
Indirect and Induced	\$ 1,690.8	\$ 933.3	\$ 345.6	14,522
Total	\$ 3,351.9	\$ 1,777.0	\$ 639.1	33,918

The cruise industry also employs shore side staff and crew that are residents of the five SE Asia countries. Data collected from the CLIA member lines show that they employ significant numbers of residents either as shore side staff or crew. The shore side staff reside and work in the SE Asia countries while the crew work onboard cruise ships around the world.

As shown in **Table 3**, CLIA member cruise lines reported that they employed a total of 16,508 residents of SE Asia as shore side staff or crew. Indonesia, alone accounts for 94% of the total with 15,532 employees. Virtually all of these residents of Indonesia work as crew onboard cruise ships. While the employment figures are lower for the other SE Asia countries they too are primarily crew with the exception of Singapore. With Singapore being a source market and a point for cruise

originations, about two-thirds of the resident cruise line employees are shore side staff that reside and work in Singapore.

Table 3: Total Contribution of Cruise Tourism in SE Asia by Country and Category, 2014

Category	Indonesia	Malaysia	Singapore	Thailand	Vietnam	SE Asia Total
Total Employment	948	7,935	21,279	2,214	1,542	33,918
Total Compensation	\$ 16.3	\$ 73.2	\$ 507.3	\$ 25.7	\$ 16.6	\$ 639.1
Landside Staff & Crew	15,532	81	69	604	222	16,508
Landside Staff & Crew Compensation	\$ 130.2	\$ 1.1	\$ 4.0	\$ 2.5	\$ 3.3	\$ 141.1
Combined Total Employment	16,480	8,016	21,348	2,818	1,764	50,426
Combined Total Compensation	\$ 146.5	\$ 74.3	\$ 511.3	\$ 28.2	\$ 19.9	\$ 780.2

Thus, including these cruise line employees and staff, the total employment impact increases to 50,426 jobs paying \$780 million in compensation across the five SE Asia countries.

Singapore

- Singapore served primarily as a port of embarkation for cruises throughout SE Asia.
- Singapore accounted for 35 per cent of total passenger and crew visit days (1.22 million) and 68 percent of turnaround passenger visit days (1.03 million) throughout SE Asia.
- Turnaround passengers spent an average of 2.8 nights in Singapore prior to and/or following their cruise and spent an average of US\$320 (SG\$432) per day with expenditures for lodging, food and beverages and retail shopping accounting for about 75 percent of the total.
- Direct expenditures by the cruise lines and their passengers and crew totaled US\$1.09 (SG\$1.47) billion with passengers accounting for 86 percent of the total and cruise lines 13 percent.
- The direct expenditures generated US\$1.97 (SG\$2.66) billion in total output and 21,279 full- and part-time jobs paying US\$507 (SG\$685) million in employee compensation.
- Overall, the economic impacts in Singapore accounted for about 60 percent of output and employment impacts throughout SE Asia.
- The cruise industry directly employed 69 residents of Singapore. Approximately two-thirds of these employees held shore side administrative positions. Including these cruise line employees, the total employment impact increases to 21,348 jobs paying US\$511 (SG\$690) million in compensation in Singapore.

Malaysia

- Malaysian ports served as both turnaround and transit ports. The principal cruise destinations in Malaysia were Penang, Kuala Lumpur and Langkawi. Penang is primarily a turnaround port while the other ports are transit ports.
- Malaysia accounted for 31 per cent of total passenger and crew visit days (1.08 million) and 34 percent of transit passenger visit days (503,841) throughout SE Asia.
- Transit passengers spent an average of US\$70.50 (RM255) per visit day with expenditures for shore excursions and retail shopping accounting for about 67 percent of the total.
- Direct expenditures by the cruise lines and their passengers and crew totaled US\$364 million (RM1.32 billion) with passengers accounting for 96 percent of the total and cruise lines one percent.
- The direct expenditures generated US\$926 million (RM3.35 billion) in total output and 7,935 full- and part-time jobs paying US\$73.2 million (RM265 million) in employee compensation.
- Overall, the economic impacts in Malaysia accounted for about 25 percent of output and employment impacts throughout SE Asia.
- The cruise industry directly employed 81 residents of Malaysia. Virtually all of these employees work as crew onboard cruise ships. Including these cruise line employees, the total employment impact increases to 8,016 jobs paying US\$74.3 million (RM269 million) in compensation in Singapore.

Thailand

- Thailand ports served as both turnaround and transit ports. Phuket and Bangkok were the largest destinations in Thailand. Bangkok featured as both a turnaround and transit port while Phuket was a transit port.
- Thailand accounted for 14 per cent of total passenger and crew visit days (490,047) throughout SE Asia with transit passenger visit days accounting for 77 percent of the total.
- Transit passengers spent an average of US\$188 (฿6,174) per visit day with expenditures for shore excursions and retail shopping accounting for about 67 percent of the total.
- Direct expenditures by the cruise lines and their passengers and crew totaled US\$104 million (฿3.4 billion) with passengers accounting for 93 percent of the total and cruise lines three percent.
- The direct expenditures generated US\$236 million (฿7.7 billion) in total output and 2,214 full- and part-time jobs paying US\$25.7 million (฿844 million) in employee compensation.
- Overall, the economic impacts in Thailand accounted for about 7 percent of output and employment impacts throughout SE Asia.
- The cruise industry directly employed 604 residents of Thailand. Virtually all of these employees work as crew onboard cruise ships. Including these cruise line employees, the total employment impact increases to 2,818 jobs paying US\$28.2 million (฿927 million) in compensation in Thailand.

Indonesia

- All ports in Indonesia featured primarily as transit destinations. The principal cruise destinations in Indonesia were Hanoi, Ho Chi Minh City and Da Nang.
- Indonesia accounted for about 13 per cent of total passenger and crew visit days (469,794) throughout SE Asia with transit passenger visit days accounting for 83 percent of the total.
- Transit passengers spent an average of US\$148 (3.19đ million) per visit day with expenditures for shore excursions and retail shopping accounting for about 80 percent of the total.
- Direct expenditures by the cruise lines and their passengers and crew totaled US\$64.5 million (1.39đ trillion) with passengers accounting for 90 percent of the total and cruise lines five percent.
- The direct expenditures generated US\$143 million (3.08đ trillion) in total output and 1,542 full- and part-time jobs paying US\$16.6 million (357đ billion) in employee compensation.
- Overall, the economic impacts in Indonesia accounted for about 4 percent of output and employment impacts throughout SE Asia.
- The cruise industry directly employed 222 residents of Indonesia. Virtually all of these employees work as crew onboard cruise ships. Including these cruise line employees, the total employment impact increases to 1,764 jobs paying US\$19.9 million (428đ billion) in compensation in Indonesia.

Indonesia

- All ports in Indonesia featured primarily as transit destinations. The principal cruise destinations in Indonesia were Bali, Komodo, Semarang, Lombok and Jakarta. All ports in Indonesia featured primarily as transit destinations.
- Indonesia accounted for about 5 per cent of total passenger and crew visit days (180,116) throughout SE Asia with transit passenger visit days accounting for 78 percent of the total.
- Transit passengers spent an average of US\$147 (Rp1.89 million) per visit day with expenditures for shore excursions and retail shopping accounting for about 67 percent of the total.
- Direct expenditures by the cruise lines and their passengers and crew totaled US\$36.9 million (Rp475 trillion) with passengers accounting for 79 percent of the total and cruise lines 16 percent.
- The direct expenditures generated US\$77.8 million (Rp1,003 trillion) in output and 948 full- and part-time jobs paying US\$16.3 million (Rp210 trillion) in employee compensation.
- Overall, the economic impacts in Indonesia accounted for about 3 percent of output and employment impacts throughout SE Asia.
- The cruise industry directly employed 15,532 residents of Indonesia. Virtually all of these employees work as crew onboard cruise ships. Including these cruise line employees, the total employment impact increases to 16,480 jobs paying US\$146 million (Rp1,889 trillion) in compensation in Indonesia.