

## FACT SHEET

# CRUISE INDUSTRY CONTINUES TO BENEFIT HAWAII'S ECONOMY

January 6, 2005

The Governor's Tourism Liaison and the Department of Business, Economic Development and Tourism today released the 2002-2003 Cruise Impact Study which examines the effects of the fast growing cruise industry on Hawaii's local economy. The report details the expenditures of cruise visitors, ship crew members, cruise lines, shipping agents and harbor fees and the economic impacts on Hawaii's Gross State Product, earnings, state and county taxes, and jobs.

- Hawaii's cruise industry generated \$108.1 million and \$110.4 million in earnings, and created 4,547 jobs and 4,582 jobs in 2002 and 2003, respectively. Additionally \$37.4 million (2002) and \$38.2 million (2003) in state and county taxes were generated.
- The total direct and indirect impact from the state's cruise industry contributed \$293.7 million in 2003 and \$286.3 million in 2002 to Hawaii's Gross State Product. If the multiplier effect of increased spending by households with persons working in the cruise industry is taken into account, these contributions would increase to \$390.5 million for 2003, and \$381.1 million for 2002.
- Though impressive, the economic impacts presented in the study were understated compared to the current environment as only foreign flagged ships, including those home-based in Hawaii and those from out-of-state, visited the islands in 2002 and 2003. Since July 2004, a U.S. flagged ship has been home-ported in the islands, hiring U.S. and Hawaii crews and subject to all federal, state and local taxes. Two more U.S. flagged ships are scheduled to be Hawaii home ported in 2005 and 2006. Thus the economic contribution the cruise industry in 2004 and beyond will be even greater than what is presented in this report.

For additional information, visit the Department of Business, Economic Development and Tourism Web site at [www.hawaii.gov/dbedt/monthly](http://www.hawaii.gov/dbedt/monthly).

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