

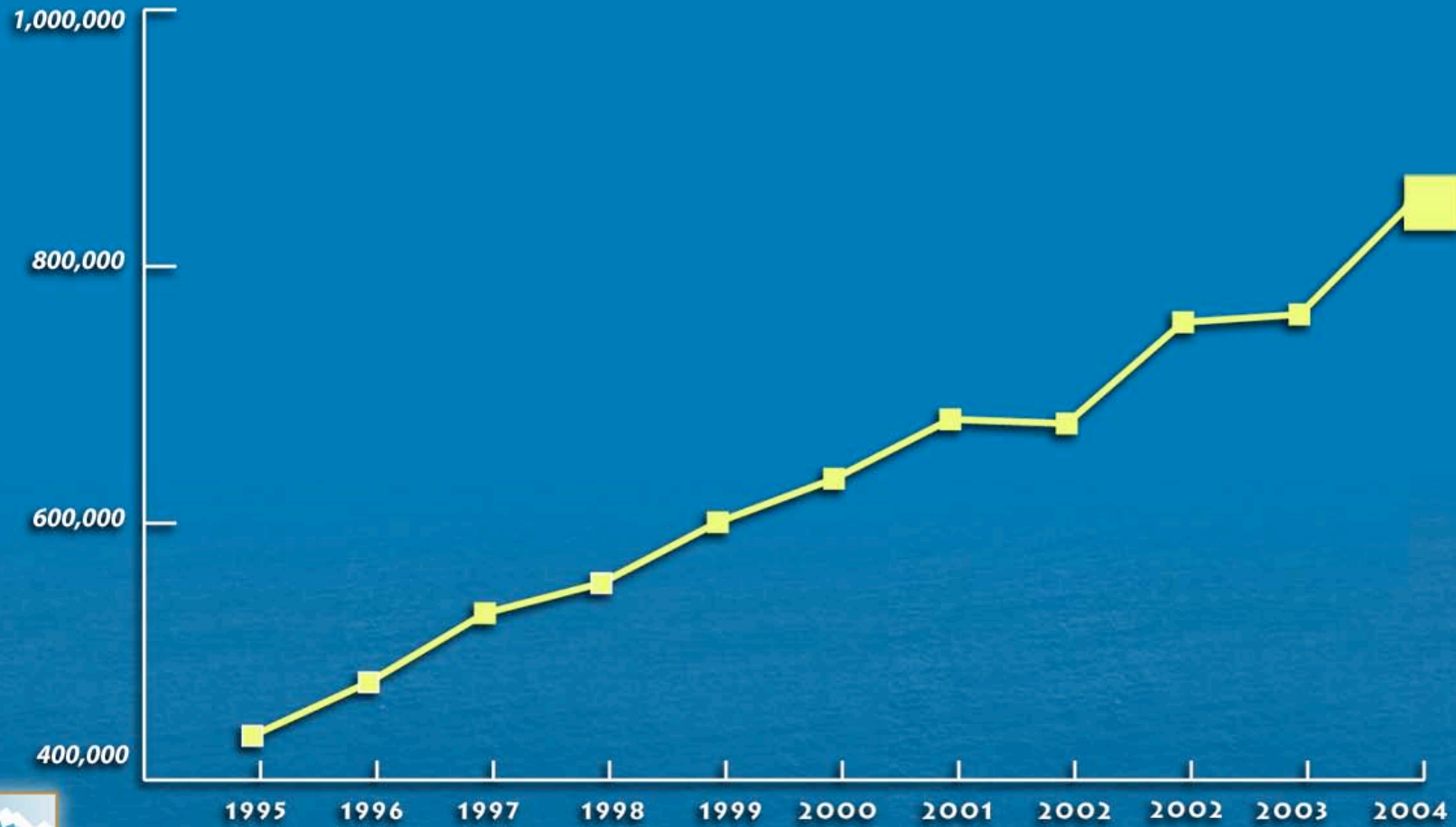


NORTH WEST CRUISE SHIP ASSOCIATION

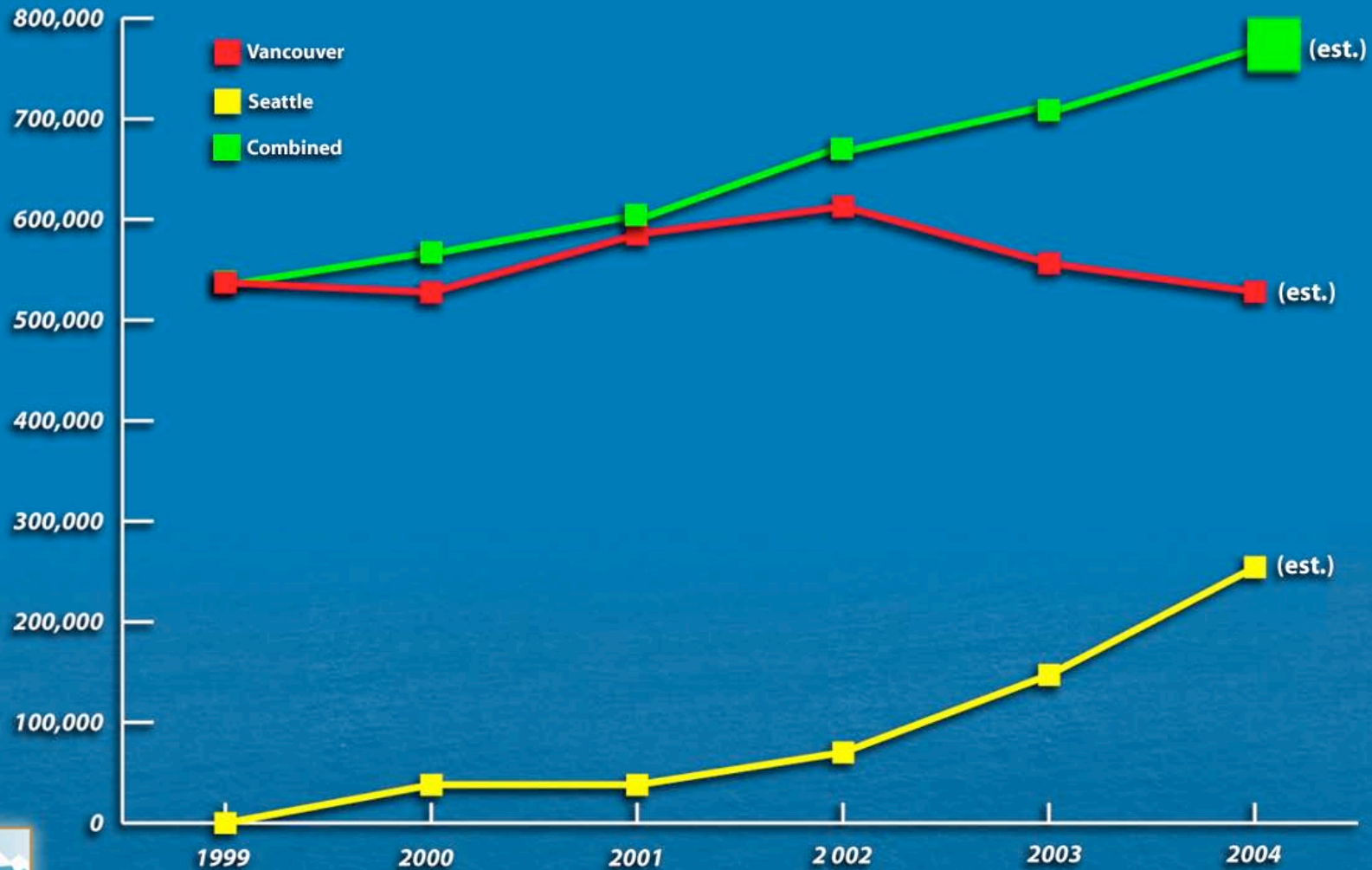


NORTH WEST CRUISESHIP ASSOCIATION

# Alaska Cruise Statistics – Bed Supply



# Seattle vs. Vancouver Statistics



2002-2004 change Seattle + 184,030 = 162%  
2002-2004 change Vancouver (84,840) = (13.8%)





# Cruise Industry Impact

## The cruise ship industry:

- Generated \$809 million in direct purchases and wages.
  - \$605 million in direct purchases.
  - \$204 million in wages to Alaska workers.
- Supports 15,000 Alaska jobs.
- Spent more than \$70 million to market the state.
- Contributes \$2 million a year to Alaska charities.



# Cruise Industry Impact

2003 vs. 2004

2003: 776,000 cruiseship passengers

2004: estimated 4% increase = 807,040 projected passengers.



\* Numbers provided by the Juneau Convention Bureau

# New Ships

Holland America Line

- Oosterdam

Princess Cruises

- Diamond Princess
- Sapphire Princess

Royal Caribbean

- Serenade of the Sea



# New Ports and Port Projects

Whittier

Hoonah

Juneau





# New Facilities

Princess — Copper Center  
Westmark — Fairbanks



# Cruise Industry Impact

## Environmental Impact

- Alaska law sets the standard.
- Advanced waste water purification systems.
- All ships complying with law.



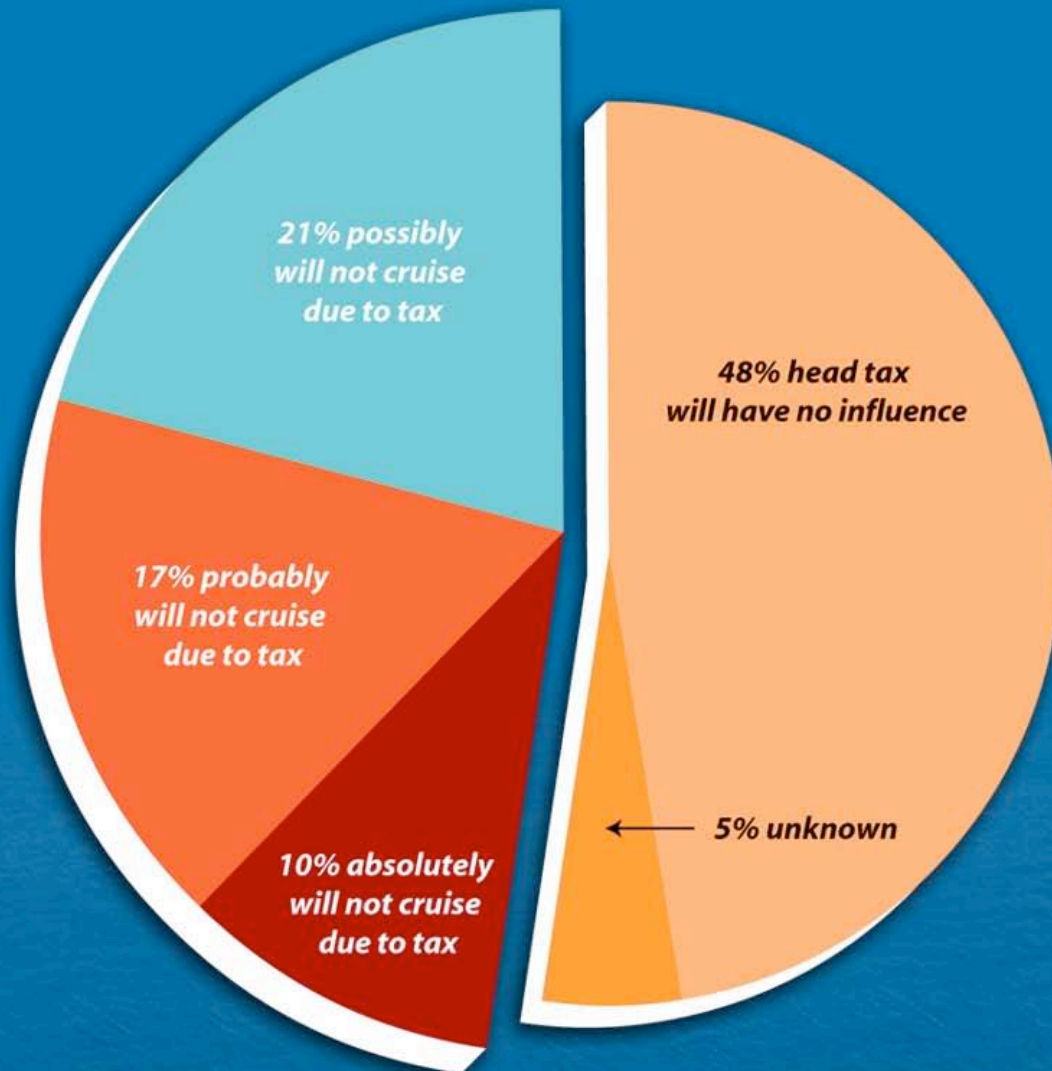
# Can This Be Reversed?

## Alaska Cruise Ship Initiative

- 4 new taxes.
- A new regulatory scheme.
- ☐ Full time state employees on all cruise ships.
- ☐ Verbal and written notification of pricing and mark-up policies.

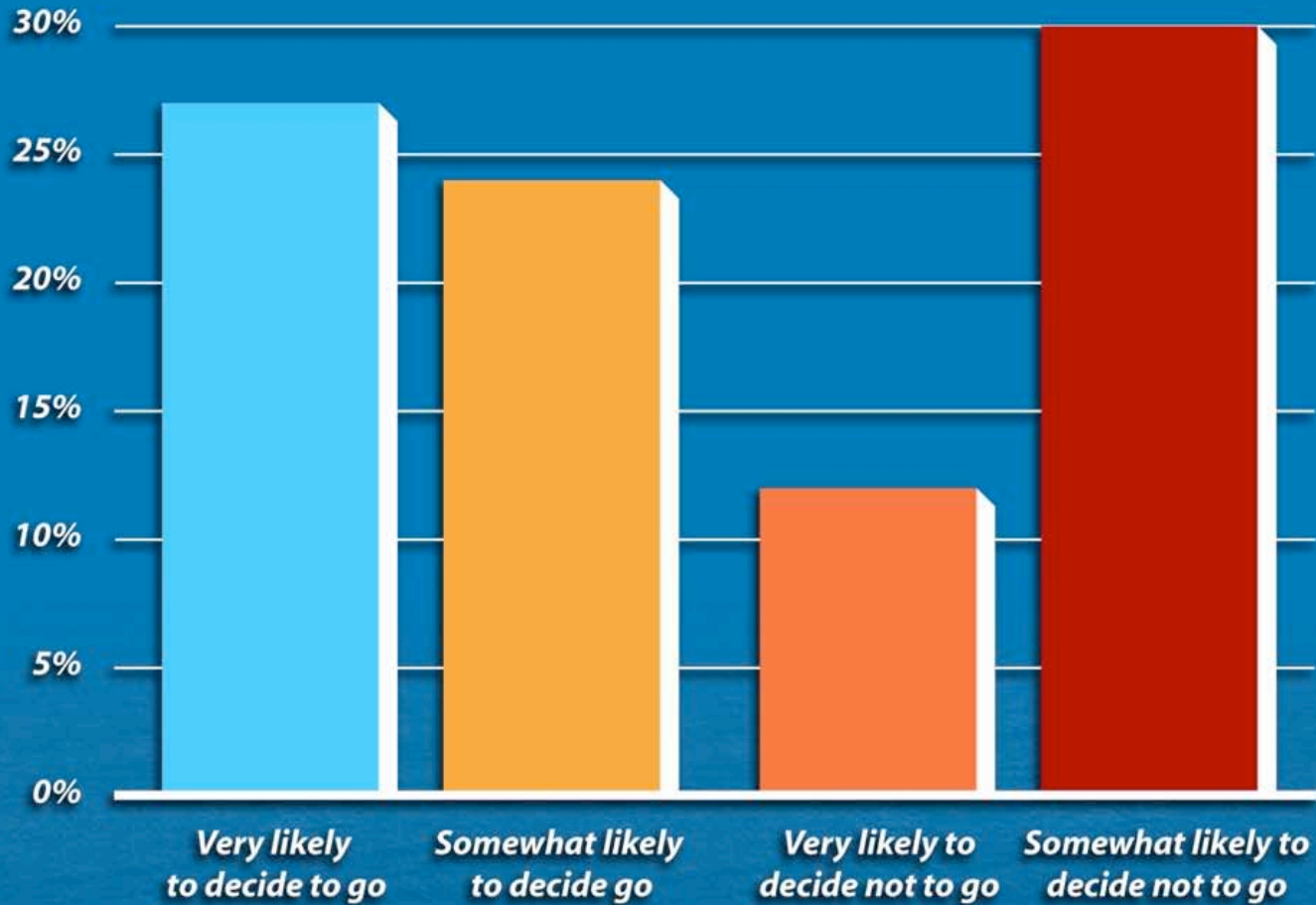


# Alaska Could Lose Almost Half Its Cruise Visitors





# Interior Alaska Could Lose Almost Half Its Cruise Visitors



**51%**  
*likely to decide to go to Interior Alaska despite the head tax*

**45%**  
*likely to decide not to go to Interior Alaska because of the head tax*



# Head Taxes Don't Fix the Fiscal Problem

## Maritime Security Act of 2002

Head taxes could be used only for:

- Reasonable fees charged on a fair and equitable basis;
- Fees used solely to pay the cost of a service to the vessel or watercraft;
- Fees that enhance the safety and efficiency of interstate and foreign commerce;
- Fees that do not impose more than a small burden on interstate or foreign commerce.



# Creating a Better Alaska

As the industry grows, it:

- Taxes local taxes and fees in Alaska.
- Develops new ports and visitor facilities.
- Creates new tours.
- Will contribute significantly to any broad-based tax used to address Alaska's fiscal situation.

