



CRUISE SHIP INDUSTRY FACTS

- The cruise industry is a highly profitable international industry that is rapidly expanding in U. S. waters without new environmental oversight or protections.
- In North America, the number of people taking a cruise doubled between 1990 and 2000.
- The worldwide fleet consists of 220 ships and will grow by 50 percent between 2000 and 2005. In California, the fleet is expected to grow by more than 25 percent in the next decade.
- The cruise ship industry plans to build between 56 and 70 new cruise ship terminals in the U.S. during the next 15 years, according to a new report from the American Association of Port Authorities.
- The cruise industry pays nothing for environmental protection, monitoring or clean-up. It only pays port fees and, in a few ports, per-passenger fees of \$5 or less.
- The industry is dominated by two major companies, Carnival and Royal Caribbean, who are incorporated off-shore and whose ships are all registered in flag-of-convenience nations, so they avoid many U. S. environmental and labor laws and don't pay corporate income tax.
 - Carnival = 50% North American market**
(Carnival/Holland/Princess/Costa/Cunard/Windstar/Seabourn)
 - RCCL = 40% North American market**
(RCI/Celebrity/Island) + Star (Star/Norwegian/Orient)
- Carnival Cruise Corporation is the most profitable leisure company in the world (Cruise Industry News, Winter 2003-2004) and is running a multi-million dollar advertising campaign on prime-time television, including spots on 60 Minutes.
- Net profits and total revenues for the top four cruise lines combined are \$1.66 billion and \$11.54 billion, respectively.¹ This total includes profits and revenues for Carnival, Royal Caribbean, P&O Princess, and Star Cruises.
- The cruise industry and ports tend to overinflate the economic benefits to communities from cruise ship traffic. Port authorities do not benefit financially from cruise terminals. Spending from cruise passengers in port communities has dropped by half since 1994 due to changes in demographics and on-board spending.
- The cruise industry has the resources to build cleaner ships, stop dumping in coastal waters and contribute to coastal environmental protection and clean-up, but prefers to forward unenforceable voluntary agreements less likely to impact the bottom line if violated. They are getting a free ride in America's most pristine waters.

¹ *Cruising—Out of Control: The Cruise Industry, The Environment, Workers, and the Maritimes*, Ross Klein, March, 2003

