

MY VIEW by Brett Moller, Chairman Ports North

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One of the most significant announcements for foreign-owned superyachts entering Australian waters was made last week by Superyacht Australia, and for the Port of Cairns, local tourism and business, this is huge.

Under new charter guidelines, which are effective immediately, foreign-flagged superyachts will be able to come to Australia, charter their boats along our coastal shores and carry out refits and repairs for up to one year.

There are more than 5000 superyachts in the world, but Australia has been seeing less than 2 per cent of them. This was because up until last week's announcement, foreign-flagged superyachts were only allowed to be used by their owners in Australia, unlike most other areas in the world where a vessel can be chartered. This meant that someone who does not own a vessel and prefers to charter them for their holidays did not have options to consider this part of the world for this type of holiday.

For the owners of Superyachts, cost is a significant barrier for vessels to make the journey from the other side of the world. With these new changes, the superyachts can make the voyage to the Asia Pacific, knowing they can charter in Australian waters (thus covering travel expenses), and carry out maintenance while they're here.

To give these new procedures and their impact some perspective, Fiji changed its charter rules two years ago. The island nation went from attracting four vessels a year to more than 60 this year. This also goes for New Zealand and Vanuatu who have adopted charter regulations to allow commercial operation of foreign superyachts. In fact, most of our neighbours have been hoping for Australia to come into line in order for the region to be marketed jointly, as an alternative to the Mediterranean and Caribbean.

So how will these new guidelines change the status quo in Cairns?

Superyacht Australia has predicted that the number of visiting yachts to Australia would double over the next two years.

Already, Cairns is established as the prime superyacht destination in Australia. We have a city on the marina doorstep, we have the Reef and the rainforest, we have a beautiful climate, we have an international airport, and importantly, we have excellent port facilities and marine industry expertise to cater to any maintenance needs for the superyachts.

We know from the Fiji reaction that there are vessels out and about in our region and are interested in coming here. It is a given we will see more of these magnificent vessels in our harbour.

In dollar terms, what will it mean for Cairns?

Currently, superyachts in Cairns spend between \$15-\$20m a year. Some 38 yachts visited last year for an average of five weeks. Imagine how this figure will grow when superyachts can remain here for up to 12 months - and make money from chartering. The flow-on effect will be wide-ranging: for local businesses offering entertainment, food, nightlife, tourism trips and so forth; through to our marine repair businesses, tradespeople and suppliers who would be called on to maintain the superyachts between charters.

This latest news has been a long time in the making, and the region's businesses and stakeholder organisations have been stirring the pot since the late 1990s when slipway maintenance facilities in Cairns tapped in to this very lucrative market. Superyacht owners were impressed with the quality of our maritime services and increasingly sought our harbour. Ports North built on this momentum by developing a stunning marina which, after the new break wall in 2001 and extra berthing facilities completed in 2011, became the scene for a who's who of the superyacht community.

Behind the scenes, Ports North, Superyacht Group Great Barrier Reef, Advance Cairns, Superyacht Australia, and a myriad other organisations actively promoted the region around the world at superyacht expos and conferences from Tahiti to Monaco. They also returned with up-to-date information to tirelessly lobby government for a lifting of strict charter controls.

This year, new submissions to government from a Superyacht Australia working group, which included Ports North and others, successfully got agreed procedures over the line, and the Government is to be applauded for its foresight in approving these guidelines.

Ports North, and myself included, are excited at the prospect of welcoming many more of these spectacular vessels in the very near future.

The new superyacht charter system for Australia includes:

- ***12 month charter***
- ***Superyacht crew visa for 12 months***
- ***10% GST payable on charters***
- ***Availability of resident agents to establish all permits required from various departments and arrange taxation collection for GST***
- ***Vessel no longer required to be imported allowing for refits during stay.***