



Tourism boost: Quest Wollongong general manager Jane Deegan, Quest franchisee Deb Stevens and Tourism Wollongong general manager Greg Binskin at one of the new accommodation houses that is helping to drive the Illawarra economy through tourism.

Tourism boosts economy

By GREG ELLIS

THE latest quarterly overview of the Illawarra economy has shown the importance tourism plays as a constant reliable source of economic growth.

A 12 per cent increase in tourism expenditure to \$29.3 million and an 11 per cent increase in the number of guest nights (432,705) spent in Wollongong, Shellharbour and Kiama during the December quarter was likely to be part of the reason the unemployment rate continued to improve into the March quarter at a time when some other sectors were slowing.

"It is one sector that doesn't have the same seasonal cycles as other sectors of the economy," Illawarra Regional Information Service (IRIS) executive director Martin O'Shannessy said.

The IRIS research revealed tourism growth was particularly strong in the area covered by Illawarra Tourism, Tourism Wollongong, Tourism Shellharbour and Tourism Kiama.

Mr O'Shannessy said it was good to have a substantial tourism industry because a strong regional economy required different drivers.

But the tourism industry faced a classic chicken and egg situation.

You don't get more visitors without accommodation and you don't get more investment in accommodation without visitors.

Mr O'Shannessy said investment was an important aspect of keeping the tourism industry going.

The IBIS, City Beach, Medina, Rydges, Headlands Hotel and Quest developments and refurbishments show that is occurring at a time when there are further signs of the property market slowing.

During the March quarter there was a fall in the number of houses, units and land sold and a reduction in the median sale price.

But when looking at the 12 months to March there was a 2.7 per cent increase in the median sales price of houses and a 32.8 per cent decrease in the number of houses sold in Wollongong, Shellharbour and Kiama.