



# Tweed staying aloft of recession storm

# Experts predicting a smooth passage

BY LEONIE BRANN

WHAT recession?

That was the question posed by a panel of leading property and finance experts when they debunked the view the Tweed was in the grips of a financial crisis when they spoke at Salt Village this week.

Population growth expert Bernard Salt, independent property analysts Michael Matusik, finance commentator Michael Pascoe and Tweed Economic Development Corporation boss Tom Senti challenged the doom and gloom outlook of some economists and said the Tweed economy was in the right position to weather the financial storm.

"The story hasn't changed for the Tweed despite the

global economic slowdown," said social demographer Bernard Salt from KPMG.

"The economic crisis can't change the physical position of the Tweed and the fact that people are moving here in their thousands, lured by the coastal lifestyle.

"If there has been a slowdown on the Tweed it has been one of consumer confidence, rather than the actual economy."

Real estate expert Michael Matusik from Matusik Property Insights in Brisbane said the Tweed property market was an indicator of the local economy and it remained resilient despite a fall in median sale prices.

"Resale prices, which are a much better indicator of the strength of the market, have actually risen – particularly

across the Gold and Tweed Coasts.

"In reality, the reported fall in average property prices is a reflection of the fact the lower-end properties are becoming more active, and in the Gold Coast-Tweed region demand is strong for homes priced up from \$750,000.

"Increasing unemployment rates are often cited as a major factor influencing waning property sales, but history has shown high unemployment rates do not necessarily spell bad news for real estate.

"To the contrary, in previous turbulent periods such as 1992, 1997 and 2001, during which unemployment rose by an average of 2.3 per cent, housing prices rose by about 18 per cent over the same time frame."

TEDC boss Tom Senti

agreed the Tweed's proximity to the labour markets and community resources of the Gold Coast and Brisbane, as well as the thousands of new residents who are expected to move to the area in search of a better lifestyle, will help "recession-proof the Tweed into the future".

"The Tweed is only a small economy, and 90 per cent of it is service-based, so we are not as affected by fluctuations in the global commodities market like places that are sustained by mining or other industries," he said.

"The key is to make sure that we have the right planning in place to be able to provide jobs and infrastructure for these new residents, otherwise the fate of the Tweed economy could go either way."



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POPULATION growth expert Bernard Salt says people are still moving to the Tweed in their thousands.