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NEW STUDY WARNS AGAINST CUTS TO ILLINOIS TOURISM MARKETING

Projected loss of jobs, tax revenue and spending devastating to state's economy

SPRINGFIELD, IL, MARCH 21 – In advance of the 2016 Illinois Governor's Conference on Travel and Tourism being held in Springfield, a new study on the importance of tourism funding is being released. An analysis revealed the detrimental impact to the Illinois economy of sustained budget cuts to Illinois tourism marketing. The study was conducted by Tourism Economics, one of the world's leading providers of economic analysis, and forecast devastating consequences to Illinois' economy if simulated budget cuts were to take place.

"Illinois' economy has taken body blow after body blow and it cannot survive billions of dollars in losses if Illinois' tourism industry collapses, said Brett Stawar, chairman of the Illinois Council of Convention & Visitors Bureaus who commissioned the study.

He also added, "Officials in both parties and at all levels of government have made strategic investments in tourism promotion that have finally brought Illinois onto a level playing field compared to other similar states. We cannot allow that progress to be undone."

The Tourism Economics study simulated economic impacts of a 20% reduction in Illinois tourism spending and full removal of all marketing support. The effects are summarized as follows

20% reduction scenario

- \$2.3 billion of visitor spending would evaporate.
- This would result in a loss of almost 4,600 jobs, a loss of \$850 million of labor income and nearly \$200 million in state and local taxes.

Full reduction scenario

- \$11.3 billion of visitor spending would evaporate.
- This would result in a loss of almost 22,800 jobs, a loss of \$4.3 billion of labor income and nearly \$970 million in state and local taxes.

Both scenarios were forecast over a period of four years.

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“Any reduction in funding will have a direct and measurable negative impact on jobs, tax revenue, and economic activity across all regions of the state,” said Sam Toia, President & CEO of the Illinois Restaurant Association. “After the national recognition gained hosting the first James Beard Foundation Awards outside of New York City, the NFL Draft, and with the NHL Draft coming, all of our hard fought gains would be ravaged by this kind of setback.”

The position of state tourism funding has improved over the years, but Illinois still lags the appropriate budget level compared to its share of the hospitality, tourism, and travel activity of the region (regional analysis based on the states of Minnesota, Wisconsin, Michigan, Iowa, Kentucky, and Missouri. Ohio and Indiana are not included as their budgets are too small to be comparable).

The travel and tourism industry is an enormous economic driver in Illinois. Annually, it directly supports 306,000 jobs across Illinois and 548,500 total jobs. The \$60.5 billion dollars in direct and secondary annual spending generates more than \$2.7 billion in state and local taxes.

“Tourism and travel is one of the bright spots in our economy these past few years and we need to be doing more to support this crucial industry, not less,” stated Marc Gordon, President & CEO of the Illinois Hotel & Lodging Association. “I strongly urge our elected leaders at every level of government across Illinois to heed this warning and support preserving funding for tourism,” he concluded.

The full study can be found at www.ICCVB.org/TourismMatters.

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Tourism Economics is the world’s leading provider of economic analysis and is operated by Oxford University’s Oxford Economics consultancy.

The Illinois Council of Convention and Visitors Bureaus (ICCVB) enables members to be more effective and efficient in attracting visitors to their communities. The Council provides educational opportunities that raise the level of professionalism in the industry and provides a forum for networking and cooperative action between members.

The Illinois Hotel & Lodging Association (IHLA) is proud to serve more than 450 hotels throughout the state. IHLA is among the top five fastest growing state lodging associations in the United States, which reflect the dynamic Illinois tourism industry.

The Illinois Restaurant Association (IRA) employs over 516,000 people and totals \$20.9 billion in sales. IRA represents the best interests of the industry in all levels of governments and advocates on issues from immigration reform to healthcare and taxes.

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