10 February 2006

STRONG GROWTH - TERRITORY LEADS NATION IN HOUSING

The strong local economy and growing population has seen the Territory record the nation’s strongest increase in home ownership in calendar year 2005.

Treasurer Syd Stirling said the Australian Bureau of Statistics December 2005 figures for Housing Finance for Owner Occupation confirms the healthy condition of the NT’s housing market.

“In 2005, the growth in home owners in the Territory was almost three times the national average - this is encouraging news for the economy,” he said.

“The number of people who have applied and been approved for finance to buy a home has increased by 24 %, significantly stronger than the national average of 9.2%.

“The number of commitments in the Territory increased from 6,005 in 2004 to 7,446 in 2005.

“This follows solid results in population growth, retail spending, building activity, housing affordability and ANZ job advertisements.”

Mr Stirling said that while there was a 5.1% decrease in December compared to November 2005, and a 0.9% increase nationally, the year-on-year figures provided a more accurate picture.

“The construction industry in the Territory has been significantly boosted with growth 30.8% in the number of finance commitments to construct new dwellings – way ahead of the national average of 5.3%,” he said.

“Significantly, in 2005, the number of housing finance commitments by first home owners increased by 31.3%.

“This increase in first home ownership is great news because it means more young people, and people who have never bought a home, are getting into the property market.

“It also means more people are making an investment in the Territory and settling down here as their long-term home.

“Growth in the first home owner market in the Territory has been supported by increase in the stamp duty concession threshold from $125,000 to $200,000 announced in the 2005/06 budget and a further increase to $225,000 in June 2005.”

Media Contact: Craig Rowston 8901 4010 or 0401 119 777