NEW CAR SALES COLLAPSE IN TERRITORY

The sharp fall in the number of new cars being sold in the Territory since the beginning of this year is further evidence the global economic recession is being felt within the NT’s borders.

Just last October the Treasurer, Delia Lawrie, claimed “New vehicle sales are a good indicator of how an economy is travelling”.

In January and February 2008 there were 1598 new cars sold in the Territory; for January and February 2009 that figure has tumbled to just 1294.

“Today we learnt that new car sales in the Territory have plummeted by almost 20% since the beginning of 2009,” says John Elferink, Shadow Treasurer.

“The collapse of car sales in the Territory mirrors what’s happening right across Australia.

“Coming on the back of confirmation that the national economy has gone into reverse, the collapse in car sales further threatens the Territory Government’s fragile budget position.

“On February the 5th the Treasurer disowned her earlier, overly optimistic, economic forecasts and announced the Territory faced a $200 million budget black hole.

“There’s now the very real possibility that the $200 million black hole is just the beginning of the debt Territorians will be saddled with.

“Just before the Queensland election was called it was revealed that the state faced a massive $1.573 billion deficit in 2008-09. That huge deficit came after forecasting an $809 million surplus in the June budget.

“Whilst Queensland has admitted it faces a $2.4 billion collapse in revenue this financial year, Delia Lawrie maintains we have moved from a modest $9 million surplus to a $47 million deficit.

“Territorians have the right to know how the budget is tracking. The Treasurer should provide an update on just how we are travelling in light of the latest economic data.”

Further comment: John Elferink 0418 406 400