Territory records seven consecutive surpluses

The Northern Territory Government has recorded its seventh consecutive cash surplus.

Tabling the Treasurer’s Annual Financial Report in Parliament today, Treasurer, Delia Lawrie, said the Territory recorded a $136 million cash surplus for the 2008-09 year.

“This is a strong result for the Territory economy and a testament to the sound financial management by the Government during difficult global economic conditions,” Ms Lawrie said.

“This is a better than expected result due to late tied grants from the Commonwealth and an improvement in mining royalties.

“Improved Commonwealth grants show that Territory Ministers have successfully lobbied and negotiated with Federal Ministers for a fair share of funding.

“However we know the fiscal outlook for the Territory changed dramatically last financial year as a result of the worst global recession in 75 years.

“And as predicted, due to global economic downturn, GST revenue fell by $158 million for the Territory as a result of a reduced national GST pool.

“The Government is forecasting a temporary deficit in 2009-10 climbing out across future years.”

“In order to offset the effects of the global recession and to protect Territory jobs, the Government invested a record $911 million in infrastructure spending in 2008-09 – $41 million more than budgeted in 2008-09.

“This is the biggest investment in infrastructure the Territory’s history and has helped create more than 4000 jobs over the past year.”

Ms Lawrie said the Territory Government’s infrastructure spending will continue with $1.3 billion committed for the 2009-10 financial year.

Net debt was $50 million lower in 2008-09 than in 2007-08 while net debt as a ratio of revenue dropped to 20 per cent from 23 per cent in 2007-08.

This compares to 61 per cent recorded in 2001-02.

Net financial liabilities to revenue ratio at June 30 has increased to 90 per cent from 87 per cent achieved in 2007-08, compared to 131 per cent in 2001-02.

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