Treasurer, Delia Lawrie, today welcomed the release of the Commonwealth Grants Commission’s (CGC) 2012 update report.

The CGC 2012 update report provides the basis for the distribution of GST revenue between states and territories in 2012-13.

“The Territory’s share of GST revenue will rise from 5.5 per cent to 5.7 per cent, compared with 2011-12 according to the report, but this is subject to population changes,” Ms Lawrie said.

“The change in relativities results in a notional $82.6 million increase in GST revenue for the Northern Territory.”

The Territory’s high expenditure needs and limited ability to generate revenue from its own taxes means that GST makes up about two thirds of overall revenue.

“This revenue stream is vital, as we face significantly higher costs than other jurisdictions in delivering essential services to remote areas and our large indigenous population,” Ms Lawrie said.

“Importantly, the CGC continues to recognise these unique circumstances in their calculation of GST share to ensure our young jurisdiction continues to grow and develop.

The final year on year change in the Territory’s GST revenue will be affected by population and national GST collections.

“While the upwards revision is welcome, continued weakness in national consumption due to prevailing global economic conditions means that growth in national GST revenue is lower than anticipated, which will impact the Territory’s final share.”

“Consecutive Territory Budgets have factored in lower national GST revenue as a
challenge for forward years.

“The Henderson Government will continue to prudently manage the Territory’s economy while investing in our infrastructure to protect Territory jobs.”

**Media Contact:** Patrick Hastwell0427 017 803