TERRITORY LEADS NATION IN ECONOMIC ACTIVITY

21st January, 2013

The Northern Territory continues to lead economic activity in Australia, according to the CommSec State of the States report today.

Minister for Business, Peter Chandler, said oil and gas projects, particularly the Ichthys gas project, are driving activity.

Economic activity is 48 per cent higher than the decade average and the highest annual trend growth of all jurisdictions, up 35.4 per cent in the September 2012 quarter, CommSec reports.

The Territory ranked second strongest for overall economic performance, and is closing the gap on the other stand-out performer, Western Australia, CommSec said.

"Construction will be an ongoing driver as the project work progresses," Mr Chandler said

"The Territory recorded the strongest annual growth in construction work – up 77.7 per cent in the September quarter compared to the same period last year," he said.

"Our manufacturing sector is also growing, and the major projects have pushed business into the accommodation and food sectors which other data shows has grown 10 per cent over the past year.

"In the CommSec analysis the Territory also led the way in annual growth of equipment investment recording an increase of 32.3 per cent in the September quarter.

"While we expect continued strong economic activity the Government will spread it wider, so all Territorians benefit from our Three Hub economy around mining and energy, tourism and education and food exports.

"We will create a more balanced and sustainable economy.

"Economic diversification will also bring about a more vibrant and resilient economy."
The CommSec report ranked the Territory second highest for retail spending, up 21 per cent on the 10-year average, population growth was 1.5 per cent, and dwelling commencements ranked second in the nation and 25 per cent above the decade average for the September quarter.

The quarterly report assesses eight key indicators – economic growth, retail spending, equipment investment, unemployment, construction work done, population growth, housing finance and dwelling commencements.

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