29 April 2014

The latest report by Deloitte Access Economics (DAE) has made a number of upward revisions to their already strong forecasts for the Territory’s key economic indicators, highlighting the positive outlook for the Territory.

The Business Outlook March 2014 publication notes that:

“(the Territory) currently has a healthier pipeline of engineering construction than is evident anywhere else in the nation”

and that

“punters are spending in the shops, unemployment has dropped notably, job gains are spectacular (leaving the rest of the nation in the shade), job vacancies are still rising and the pace of housing construction activity is pretty healthy.”

DAE’s forecast for Territory employment growth has been revised up significantly since the last publication. Growth estimates for this financial year has been revised up from 2.9 per cent to 4.7 per cent and the forecast for 2014-15 has been revised up from 2.3 per cent to 3.3 per cent.

The five year annual average growth rate of DAE’s Territory’s employment growth forecasts to 2017-18 is now 2.8 per cent, up from 1.9 per cent in the previous publication.

Treasurer Dave Tollner said the Territory now has the highest five year average annual employment growth forecasts in the country according to DAE.

“These revised projections show that the forecast average annual employment growth in the Territory over the next five years is expected to be nearly double the national rate. The Territory is continuing to deliver economic opportunities that are second to none in the country at the moment,” Mr Tollner said.

DAE also revised up its population growth forecast for 2014-15 and, as a result, the Territory’s five year average annual population growth rate to 2017-18 has increased from 2.1 per cent to 2.5 per cent, second only to Western Australia and well above the national average rate of 1.8 per cent.

The forecast for growth in the Territory’s Gross State Product has been revised upwards by DAE, with the Territory economy now forecast to grow by an average of 4.9 per cent per year over the next five years. This is the highest average annual growth rate of all jurisdictions and compares with the forecast average annual growth rate of 2.9 per cent nationally over the same period.
Mr Tollner said while the Territory economy was surging ahead, DAE were not forecasting any sharp rise in the Consumer Price Index (CPI), with an average annual growth rate of 2.8 per cent forecast for Darwin CPI over the next five years.

“That’s only marginally above the national average annual growth of 2.6 per cent and given the economic activity, jobs being created and a swelling in population, a modest 2.8 per cent CPI rise would not be a bad result at all.

“DAE’s forecasts for the Territory economy indicate that it will grow in excess of national levels in key areas, particularly job creation, for the next five years,” Mr Tollner said.

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