1 December 2004
On Track for Balanced Budget

The Territory is on track to meet predictions of a balanced budget in 2004-05, according to the Mid-Year Financial Report tabled in Parliament today.

Treasurer Syd Stirling said the Mid-Year Report showed increased revenue as a result of greater economic activity in the Territory and higher than expected GST – matched by increased expenditure by Government in key areas.

The Government now expects increased revenue this financial year of $60 million and an extra $60 million in expenditure.

The extra revenue is a result of:

- $37 million more in GST
- $16 million more in tax revenue; and
- $5 million more in Specific Purpose Payments from the Commonwealth.

“The increase in tax revenue is a direct result of increased economic activity in the Territory,” Mr Stirling said.

“It includes an extra $5 million in payroll tax collections largely from major projects; an extra $10 million in conveyancing duty; and an extra $1 million in insurance duty.

“The increased tax collections are proof that our economy is moving ahead through increased activity, while we remain the lowest taxing regime in Australia for small business and the second lowest taxing jurisdiction overall.

“The extra expenditure in 2004-05 includes $24 million in additional capital costs; $27 million carried over from 2003-04; and $5 million on the Darwin Waterfront Redevelopment project.

“Every cent we get we are investing in moving the Territory ahead.”

Mr Stirling said the Mid-Year Report also forecast revised population growth of 0.5% from 0.3%, while employment growth forecasts remained the same at 2.9%.