4th March 2005

ABS Figures Reveal Nine Months of Economic Downturn

A Country Liberal Party government will immediately change current government priorities from using the GST largely to increase the recurrent costs to an emphasis on infrastructure spending and business incentives in order to strengthen our economy and grow our population base if elected, Country Liberal Party Leader Denis Burke said today.

Mr Burke said the latest ABS figures show clearly that since March 2004, the Northern Territory has failed to live up to the Labor government’s own hyperbole and spin and has fallen behind the rest of Australia.

The poor state of the Territory economy is demonstrably illustrated by the ABS trend figures for State Final Demand (SFD), the most accurate figure of on-shore economic activity show that in the June 2004 quarter, SFD fell 0.7%, in the September 2004 quarter, SFD fell 0.6% and in the latest December 2004 quarter, it fell again by 0.2%.

“No other State or Territory in Australia has worse figures for the last three consecutive quarters,” Mr Burke said.

“Like it or not, the Territory Labor Government is now seeing more and more figures indicating that the Territory economy has been slowing. Despite the Labor government’s attempts to gloss over it, the figures continue to show that the Northern Territory is not performing as well as the rest of Australia,” Mr Burke said.

“Three consecutive quarters of negative growth of SFD is not good news for businesses and given that the ALP government have received over $600 million extra in GST revenue, it is now clear that this money has not been spent where it should be – to create opportunities for Territory businesses.

“The fact that we have three quarters of negative growth means a weak Territory economy and with Private Gross Fixed Capital Formation falling by 5.7%, it suggests that businesses are doing it tough – backed up by the recent Sensis business figures showing declining confidence in the Labor government.
“ABS figures released earlier this week also show:

- A 1.2% fall in the month of December in the trend figures of the registration of new motor vehicles, the seventh consecutive monthly fall,
- A 7.7% fall in the latest trend figures for dwelling unit approvals,
- A loss of 3,200 jobs since Labor was elected to government in 2001,
- The highest unemployment rate in Australia at 6.2%, and
- Average weekly total earnings that are $17.30 less than the Australian average.

“The Country Liberal Party believes that a strong, healthy economy will provide benefits for all Territorians and will use the huge increase in GST revenue to grow the business of the Territory.”

ENDS