The Northern Territory had outperformed all Australian jurisdictions to record the largest annual increase for State Final Demand (SFD) Clare Martin, said today.

"State Final Demand demonstrates the level of growth in the economy based on business, government and domestic spending," she said.

"While all jurisdictions recorded annual increases in SFD in financial year 2001-02, the Territory recorded the highest increase (up 16.3%) followed by Tasmania (up 10.2%) while the national increase was 4.9%.

"The Territory (4.2%) was also ahead of the National average (2.1%) for the June quarter recording a significant seasonally adjusted increase. These figures are another sign that our economy is picking-up and with the Government delivering strong capital works spending in the 2002/03 budget we expect these positive figures to continue."

Ms Martin said that strong consumption growth and a further pick-up in investment drove the Territory's quarterly increase.

"Total consumption increased by 2.7% in the quarter, household consumption expenditure rose by a remarkably strong 5.0%, while government consumption expenditure increased by 0.1%," she said.

"After weakening markedly in 2000-01, consumer spending strengthened considerably in the past year, boosted by low interest rates and lower petrol prices.

"Total investment increased by a seasonally adjusted 7.4% in the quarter, public investment increased 44.1%, largely reflecting work on stage two of East Arm Port while business investment remained at a very high level (up 0.6%) as work on the railway and Bayu-Undan continued."

The Treasurer said that the ABS had advised that Bayu-Undan related expenditure was included in the SFD figures for the first time in the June quarter release adding that potential existed for further revision as the ABS received better information.