ECONOMY CONTINUES TO MOVE AHEAD

A range of economic indicators released today show the Territory economy continuing to move ahead strongly.

Treasurer Syd Stirling said job advertisements and housing finance commitments recorded sustained growth, while the HIA Economics Group predicted that the Territory economy will continue to perform strongly in coming months.

“There was a 23.5% increase in Territory job ads in year on year terms to September 2005, compared to a 1.3% drop nationally,” Mr Stirling said.

“Territorians are also continuing to invest in homes at high levels. In the year to August 2005, the number of housing finance commitments for owner-occupation increased by 25.5% in the Territory (from 5410 to 6792), compared to 0.5% nationally.

“The corresponding value of Territory commitments increased by 35.8%. Government initiatives, such as increased stamp duty concessions and the improve HomeNorth Extra scheme, are providing ongoing incentives to Territorians to invest in houses.”

Mr Stirling said the HIA Economics Group today confirmed that the Territory was enjoying close to record economic growth.

According to HIA “the resilience of the housing sector, an anticipated stabilisation in household consumption and a solid pipeline of resource investment” would see the Territory perform well in the future against other jurisdictions.

HIA cites a range of factors contributing to a strong Territory economy, including:

- Annual growth in household consumption of 6.1%
- Plant and equipment investment up by an ‘impressive’ 44.4% in the June quarter
- 4.5% jobless rate close to the lowest it has been in 30 years
- Housing starts up by 28% in 2004-05 to 1340, well above forecast rates
- Renovations activity up by 43% in 2004-05 to a record high of $183 million
- Total housing investment up by 22% in 2004-05 – more than double the forecast rate
- Residential investment lending averaging nearly $26 million a month

“HIA predicts that jobs growth, population growth, construction activity and housing investment look set to continue, keeping the Territory economy and local business moving ahead,” Mr Stirling said.

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