ABS Figures Reveal The Turbo Is Being Switched Off

Figures released by the Australian Bureau of Statistics (ABS) today reveal that the economic indicators in the Territory are showing a marked cooling in the Territory Economy. Some of the most concerning indicators are showing contractions or downturns in very commonly used indicators by Government:

- New vehicle sales Monthly trend down to 736 new cars sold (the lowest in 15 months)
- Building Approvals grew by a meagre 1.1% after 7 months of negative results.
- Gross State Product (GSP) posted a contraction of -1.4%.
- Housing Finance Approvals down -10.9%
- Consumer Price Index (CPI or cost of living) up 1.7%
- State Final Demand contracted by -1.4%

“These figures reflect an economy that could be at best be described as pedestrian. The Martin Government has latched onto a description of the Territory Economy as being turbo charged. That description, used by Access Economics, about a year ago is not reflected in these figures.”, Shadow Treasurer Terry Mills said today.

“What I’m seeing reflected in these figures is a plateau after a year of strong growth caused by a couple of major projects that have little to do with Government such as the Alcan Expansion and the Gas Project.

“Sadly, the Government hasn’t used its extra funds for Territory building. It has committed its extra GST revenue on recurrent expenditure that has led to the second highest CPI rate in the country. All of the wage increases paid for by Government are now coming home to roost in the form of an increased CPI and no clear path available to Government to recover to boost infrastructure spending.

“The uncontrolled wages growth, sponsored by the NT Government has caused a spike in demand over the past year that is now trailing off. The result is people are selling less product for higher prices in the Territory. Small wonder that the Chief Minister is in Sydney trying to promote the Territory.”

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