REVENUE FLOOD DISGUISES ANOTHER BUDGET BLOWOUT

“The continuing strength of GST and local tax revenues has once again bailed out a Labor Government that cannot keep expenditure within budget guidelines,” says Terry Mills, Opposition Shadow Treasurer.

“Only an unexpected $237 million surge in operating receipts enabled the Treasurer to post a $40 million surplus.

“This Government continues to tempt fiscal fate by spending beyond its budget parameters.

“The revenue bonanza it has enjoyed in recent years will eventually end, and when it does all Territorians will pay the price if the Martin Government hasn’t learn how to live within its means.

“Watching this Treasurer being smug about returning a surplus is a lot like watching a man standing in a rain storm boasting that it was his good management that he got wet.

“This year GST revenue was up by $100 million dollars and local taxes increased by $80 million dollars whilst other revenues jumped by tens of millions of dollars.

“What is particularly concerning is that most Government departments exceeded their allocations and the wages bill continued to spiral upwards.

“That’s why despite the surge in revenues there is only a relatively modest $40 million surplus. That isn’t good management, its luck.

“The Government has also benefited from a $600 million rise in the value of assets the Government has equity in. This rise has helped reduce net debt.

“I’m pleased that the Territory’s income has increased. What I remain worried about is this government’s interest in spending that money in recurrent funding, rather than infrastructure building.”

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