

Territory Economic Review

April 2006

Territory Population Growth amongst the highest in the Nation

Latest ABS figures show that the Territory experienced strong population growth over the year to September 2005, outstripping the national growth rate for the third consecutive quarter. The Territory's annual growth rate was 1.7 per cent compared with 1.2 per cent nationally (see chart). Our population grew to 203 720.

Fertility

The Territory's population growth is driven by fertility rates and net interstate migration. The number of registered births (1 001) was particularly high during the September quarter 2005. Only time will tell if this reflects a change in fertility or a births registration processing issue.

Interstate migration

Net interstate migration, typically very volatile, was positive for the third consecutive quarter. There was a net increase to the Territory's population of 56 residents as a result of interstate migration. The turnaround in the Territory's interstate migration flows since 2003 has been rapid and considerable. Over the year to September 2005, net interstate migration in the Territory increased by 209, compared with a net loss of 1 496 in the year to September 2004.

Population growth linked to employment

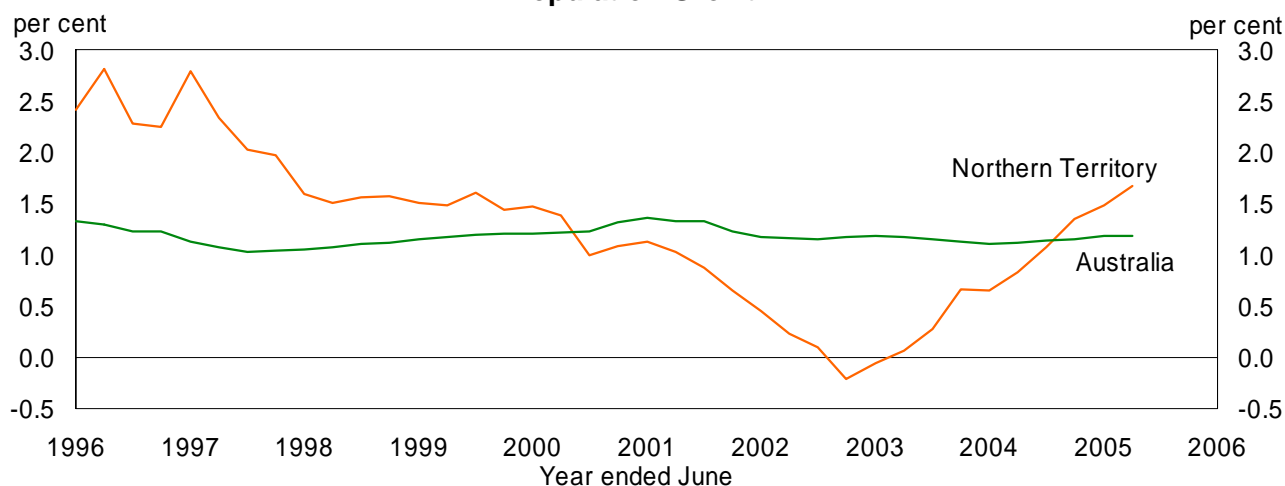
Whether such gains will continue to be seen is uncertain, but interstate migration is clearly tied to employment opportunities. Improved interstate migration over 2004-05 has reflected strong growth in the construction sector, in particular the construction phase of the Liquid Natural Gas (LNG) plant at Wickham Point. A continuation of positive net interstate migration in future years will be reliant on employment generating projects such as the Darwin City Waterfront Development.

The 2006 Census

Population estimates prepared by the ABS are based on population counts from the Census of Population and Housing (Census) that the ABS conducts every five years. The Census will be held this year on 8 August. An accurate population count is critical for the Territory, as population estimates are used for planning purposes to determine the distribution of Australian Government grants (especially Goods and Services Tax revenue) and to allocate seats in the House of Representatives.

Consequently, and because of the particular challenges in counting the Territory's population, such as high mobility, the sparsely distributed population, and cultural diversity, the Northern Territory Government is strongly supporting the ABS in its effort to obtain as accurate a count as possible of the Territory's population from this year's Census.

Population Growth*



* Annual percentage change
Source: ABS Cat. Nos. 3101.0



Territory Economic Review - April 2006

Northern Territory State Final Demand and Gross State Product									
Year ended June Percentage Change	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	Latest	Annual % change
Expenditure on GSP (2003-04 prices)									
Private Consumption	5.3	6.7	3.7	6.0	4.1	7.9	4.0	Dec Q 05	4.3
Public Consumption	4.8	5.4	0.0	0.4	2.6	2.4	4.1	Dec Q 05	2.5
Total Consumption Expenditure	5.1	6.1	2.0	3.5	3.5	5.6	4.0	Dec Q 05	3.6
Private Investment									
<i>Dwellings</i>	43.5	-25.3	-40.4	3.4	11.8	-2.4	24.7	Dec Q 05	34.9
<i>Other buildings and structures</i>	173.6	-58.9	-22.7	124.7	29.4	8.2	-3.3	Dec Q 05	12.1
<i>Machinery and equipment</i>	47.0	8.7	34.2	-1.6	1.4	3.6	-10.6	Dec Q 05	162.9
<i>Livestock</i>	112.5	-11.8	46.7	9.1	-54.2	145.5	0.0	Dec Q 05	-11.1
<i>Intangible fixed assets**</i>	-21.3	-17.6	-17.6	50.9	-42.1	-19.2	59.8	Dec Q 05	111.9
<i>Ownership transfer costs</i>	4.7	-7.8	-21.7	15.4	4.0	28.2	6.0	Dec Q 05	10.3
Business Investment [#]	89.0	-40.5	-0.7	52.0	7.9	7.7	-1.6	Dec Q 05	46.8
Total Private Investment	71.9	-36.8	-10.9	43.4	8.2	6.6	1.8	Dec Q 05	43.6
Public Investment	-34.3	43.6	46.1	18.9	-35.7	-0.2	30.2	Dec Q 05	3.0
Total Investment	52.5	-30.4	-1.6	37.5	-0.9	5.7	5.5	Dec Q 05	37.0
State Final Demand	16.9	-6.0	1.3	11.5	2.2	5.6	4.4	Dec Q 05	12.7
State Final Demand less L-C and B-U^{##}	5.7	1.9	1.4	10.1	0.5	4.4	9.8	Dec Q 05	15.0
International Trade - export of goods	-1.5	47.2	30.0	-22.6	-11.0	-23.8	-6.2	Dec Q 05	-10.3
International Trade - import of goods	-27.7	177.9	-62.0	15.3	29.9	4.1	107.5	Dec Q 05	-14.6
Total Gross State Product	7.1	-0.4	5.2	1.2	0.1	0.2	3.6	Dec Q 05	3.6
Contribution to GSP Growth									
Private Consumption	2.3	2.9	1.8	2.6	1.9	3.9	2.4	n.a	
Public Consumption	1.7	1.9	0.0	0.1	0.9	0.8	1.4	n.a	
Private Investment	15.3	-12.5	-2.4	7.9	2.1	1.8	0.0	n.a	
Public Investment	-1.6	1.3	1.9	1.1	-2.4	0.0	1.3	n.a	
State Final Demand	17.7	-6.8	1.5	11.9	2.5	6.5	5.2	n.a	
Net International Exports	1.8	2.8	21.3	-10.0	-6.7	-7.9	-12.0	n.a	
Balancing item	-12.5	3.7	-17.6	-0.7	4.3	1.6	10.4	n.a	
Gross State Product	7.1	-0.4	5.2	1.2	0.1	0.2	3.6	n.a	

* Quarter on corresponding quarter the previous year, or through the year annual per cent change ** Predominantly computer software and mineral exploration
[#] Private investment less dwellings investment and ownership transfer costs ^{##} Investment for the Laminaria-Corallina oilfields and Bayu-Undan Stage 1 and Stage 2 pipeline
 Source: NT Treasury, Australian Bureau of Statistics data

Latest Northern Territory Economic Indicators									
Year ended June Percentage Change*	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	Latest	Annual % change**
Real Retail Turnover	5.9	5.8	-0.7	4.1	2.2	5.1	5.3	Dec Q 05	1.5
New Motor Vehicle Sales	-3.4	-8.8	-4.2	-0.3	3.3	8.4	10.7	Feb Q 06	2.7
Tourist Accommodation Takings	7.0	16.8	1.5	-1.0	-0.1	2.8	13.6	Jun Q 05	1.2
Number of Dwellings Approved	0.0	-30.6	-28.4	-13.8	0.0	23.4	18.4	Feb Q 06	-16.8
Number of Dwellings Commenced	-9.7	-21.1	-34.0	0.1	-4.1	6.0	29.1	Dec Q 05	-0.5
Employment	5.3	-2.3	1.1	5.4	-0.1	-2.2	-2.0	Feb Q 06	2.2
Unemployment rate	4.0	4.4	5.6	6.8	5.8	5.2	6.3	Feb Q 06	1ppt
Darwin Consumer Price Index (year average) ^{##}	0.7	0.7	3.9	3.6	2.2	2.1	1.6	Dec Q 05	3.0
AWOTE [#] (year average)	3.1	4.6	3.7	2.3	5.0	6.5	7.0	Dec Q 05	5.2
Wage Price index (year average)	2.8	2.5	2.8	3.1	3.0	3.3	3.7	Dec Q 05	5.1
Population, December (levels - thousands) ^{##}	191.3	194.3	196.3	198.0	198.2	198.7	200.8	Sep Q 05	203.7
Population (annual % change) ^{##}	1.6	1.6	1.0	0.9	0.1	0.3	1.1	Sep Q 05	1.7
Net Interstate Migration (levels - number) ^{##}	-688	-817	-1621	-2049	-3069	-2895	-1097	Sep Q 05	56

* Year ended, or year on year ** Quarter on corresponding quarter the previous year, or through the year per cent change [#] Average Weekly Ordinary Time Earnings
^{##} Denotes calendar year
 Source: NT Treasury, Australian Bureau of Statistics data

Financial Indicators									
Year Ended June	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	Latest	Level
Interest Rates									
90 Day Bank Bill (as at 30 June)	4.92	6.17	5.02	5.11	4.67	5.50	5.66	31 Mar 06	5.60
10 Year Govt Bond Yield (as at 30 June)	6.27	6.16	6.04	5.99	5.01	5.87	5.11	31 Mar 06	5.41
Exchange Rates									
US\$ per A\$ (year average)	0.63	0.63	0.54	0.52	0.58	0.71	0.75	31 Mar 06	0.75
US\$ per A\$ (as at 30 June)	0.66	0.60	0.51	0.56	0.67	0.69	0.76	31 Mar 06	0.72
Special Drawing Rights [#] per A\$ (as at 30 June)	58.40	53.60	49.80	52.30	58.98	59.06	64.50	31 Mar 06	60.79
Trade Weighted Index of A\$ (as at 30 June)	0.64	0.64	0.60	0.57	0.58	0.57	0.63	31 Mar 06	0.59

* A measure of the Australian dollar against an IMF determined, weighted basket of currencies consisting of the US dollar, the Euro, the yen and pound sterling
 Source: NT Treasury, Reserve Bank of Australia data

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ECONOMIC INDICATORS DUE FOR RELEASE

April 2006			
ABS	5368.0	International Trade in Goods and Services, Australia, February 2006	03-Apr-06
ANZ		ANZ job ads, March 2006	03-Apr-06
ABS	3401.0	Overseas Arrivals and Departures, Australia	05-Apr-06
ABS	6202.0	Labour Force, Australia, March 2006	06-Apr-06
ABS	5609.0	Housing Finance, Australia, February 2006	07-Apr-06
ABS	5671.0	Lending Finance, Australia, February 2006	11-Apr-06
Westpac/MI		Consumer Sentiment Index, April 2006	12-Apr-06
Westpac/MI		Leading Index, April 2006	19-Apr-06
ABS	8762.0	Engineering Construction Activity, Australia December 2005	20-Apr-06
ABS	6457.0	International Trade Price Indexes, Australia, March Quarter 2006	21-Apr-06
ABS	8752.0	Building Activity, Australia December 2005	21-Apr-06
ABS	6427.0	Producer Price Indexes, Australia, March Quarter 2006	24-Apr-06
ABS	9314.0	Sales of New Motor Vehicles, Australia, March 2006	24-Apr-06
ABS	6401.0	Consumer Price Index, Australia, March Quarter 2006	26-Apr-06
DEWRSB		Vacancy Report, April 2006	26-Apr-06
May 2006			
ABS	5368.0	International Trade in Goods and Services, Australia, March 2006	05-May-06
ABS	8731.0	Building Approvals, Australia, March 2006	05-May-06
ANZ		ANZ job ads, April 2006	05-May-06
ABS	8501.0	Retail Trade, Australia, March 2006	08-May-06
ABS	3401.0	Overseas Arrivals and Departures, Australia	09-May-06
Westpac/ MI		Consumer Sentiment Index, May 2006	10-May-06
ABS	6202.0	Labour Force, Australia, April 2006	11-May-06
ABS	5609.0	Housing Finance, Australia, March 2006	12-May-06
ABS	5671.0	Lending Finance, Australia, March 2006	16-May-06
ABS	6345.0	Labour Price Index, Australia, March Quarter 2006	17-May-06
Westpac-MI		Leading Index, May 2006	17-May-06
ABS	6302.0	Average Weekly Earnings, Australia, Feb 2006	18-May-06
ABS	9314.0	Sales of New Motor Vehicles, Australia, April 2006	22-May-06
Sensis		Sensis Business Index, May quarter 2006	23-May-06
ABS	8755.0	Construction Work Done, Australia, March 2006	24-May-06
DEWRSB		Vacancy Report, May 2006	24-May-06
ABS	6416.0	House Price Indexes: Eight Capital Cities, March Quarter 2006	25-May-06
ABS	8501.0	Retail Trade, Australia, April 2006	30-May-06
ABS	8731.0	Building Approvals, Australia, April 2006	30-May-06
ABS	5368.0	International Trade in Goods and Services, Australia, April 2006	31-May-06

State Final Demand

Territory State Final Demand (SFD) increased by 3.5 per cent in the December quarter 2005, influenced by the timing of investment for major projects. In calendar year 2005 Territory SFD increased by 10.8 per cent (the highest growth of the jurisdictions) and, excluding investment for Bayu-Undan stage one and the pipeline for stage two, growth is estimated at 13.8 per cent.

In calendar year 2005, total investment increased by 29.5 per cent contributing 7.8 (of the 10.8 percentage points) of SFD growth. The largest component of total investment is private investment, which accounted for 7.0 percentage points of SFD growth. Public investment contributed 0.8 percentage points to SFD growth. Total consumption increased by 4.0 per cent in calendar year 2005, contributing 2.9 percentage points to SFD growth. Household consumption expenditure was the main contributor to the increase in consumption, accounting for 2.2 percentage points, with the remaining 0.7 of a percentage point attributable to government consumption expenditure.

Population

Northern Territory resident population is estimated to have increased by 0.5 per cent in the September quarter 2005, to 203 721. This is the seventh consecutive quarterly population increase. In annual terms, Territory population growth strengthened to 1.7 per cent. This was greater than nationally (for the third consecutive quarter) where population increased by 1.2 per cent through the year, to an estimated 20.4 million persons.

The Territory's estimated resident population increased by 928 persons in the September quarter 2005, compared to an increase of 536 in the September quarter 2004. Natural increase (births less deaths), net overseas migration and net interstate migration all made positive contributions to growth in the quarter.

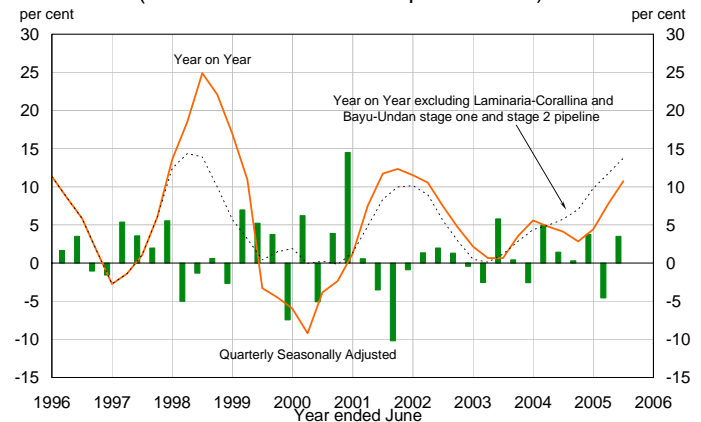
▪ Natural increase (births less deaths)	768
▪ Net overseas migration	104
▪ Net interstate migration	56
▪ Total population growth	928

Gross Domestic Product

Australia's Gross Domestic Product (GDP) increased by 0.5 per cent in the December quarter 2005, and by 2.6 per cent in calendar year 2005. GDP growth was underpinned by solid domestic demand (that is consumption and investment), which increased by 4.1 per cent. Growth in 2005 was partly offset by the ongoing weakness in net exports, which subtracted 1.4 percentage points from growth.

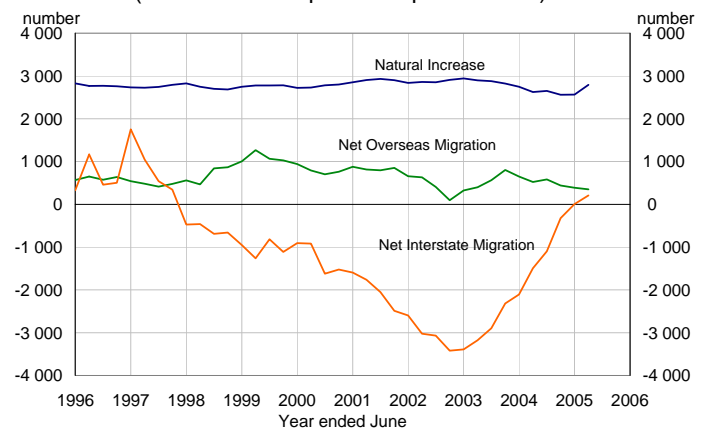
On the production side, the construction industry contributed the most to growth in calendar year 2005, supported by growth in the health & community services industry. Other industries reporting solid growth in the year were; mining, communication services and financial services. The major detractor from growth over the period was the agricultural, forestry and fishing industry, subtracting 0.2 percentage points from growth.

Northern Territory State Final demand (latest data – December quarter 2005)



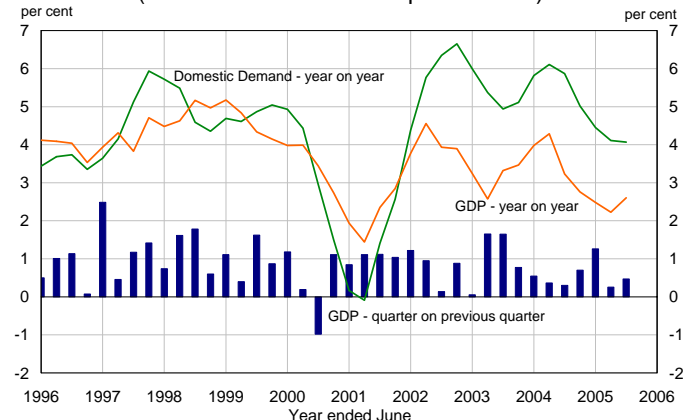
Source: ABS Cat. No. 5206.0

Components of Population Growth* (latest data – September quarter 2005)



* annual percentage change
Source: ABS Cat. No. 3101.0

Gross Domestic Product (latest data – December quarter 2005)



Source: ABS Cat. No. 5206.0

Retail Turnover

Seasonally adjusted retail turnover in the Territory decreased by 0.1 per cent in February 2006, compared to a 0.7 per cent increase nationally. In the year to February 2006, retail turnover increased by 4.2 per cent in the Territory, the fourth highest growth of the jurisdictions, and higher than nationally.

In the year to February 2006, growth in Territory retail turnover was driven by growth in the 'hospitality and services' category (see chart) which increased by 22.9 per cent in the year, contributing 3.7 percentage points to growth. This category includes expenditure in hotels, pubs, clubs taverns and bars, restaurants, cafes, hair-salons, beauty stores and video hire. Second to 'hospitality' was growth in the 'household good retailing' category which increased by 4.6 per cent in the year to February 2006, contributing 0.6 percentage points to growth. This category includes expenditure on furniture and floor coverings, domestic hardware, appliances and recorded music.

Sales of New Motor Vehicles

Territory seasonally adjusted new motor vehicle sales decreased by 2.9 per cent in February 2006 to 799. Nationally, sales decreased by 2.1 per cent in the month. Year on year growth, a more stable measure of activity, reports that growth in Territory new motor vehicle sales remains solid at 5.5 per cent, though continues to moderate from the record growth reported in 2005. At the national level growth in new motor vehicle sales was 2.0 per cent in the year to February 2006.

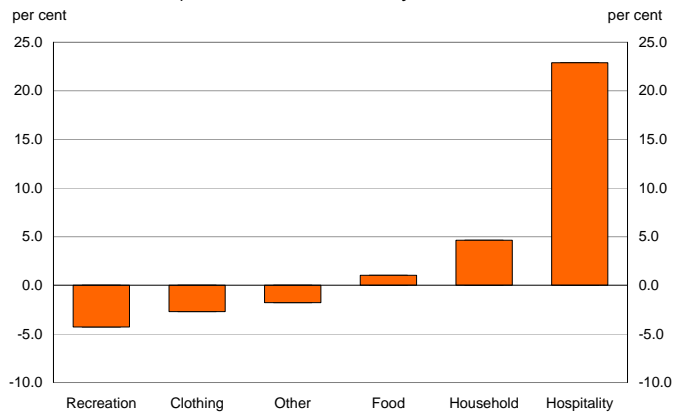
In the year to February 2006, the sale of 'utes and other light commercial vehicles, trucks and buses' continued to be the primary driver of growth in motor vehicle sales in the Territory, increasing to 3 010 vehicles and contributing 5.1 percentage points to growth. This was followed by passenger vehicles increasing to 4 598 and contributing 0.4 percentage points to growth and sports utility vehicles unchanged at 1 935 and contributing 0 percentage points to growth.

Petrol Prices

In February 2006, fuel prices increased by 4.2 cpl in Darwin while the eight capital cities weighted average price decreased by 2.2 cpl. Darwin recorded an average unleaded petrol price of 129.1 cpl, compared to 117.1 cpl for the eight capital cities weighted average. This represents a 12.0 cpl price differential between Darwin and the eight capital cities weighted average, the second highest price differential in the past year (behind the record high of 14.9 cpl recorded in November 2005). Compared to February 2005 petrol prices in Darwin have increased by 21.6 per cent, compared to a 19.2 per cent increase in the eight capital cities weighted average.

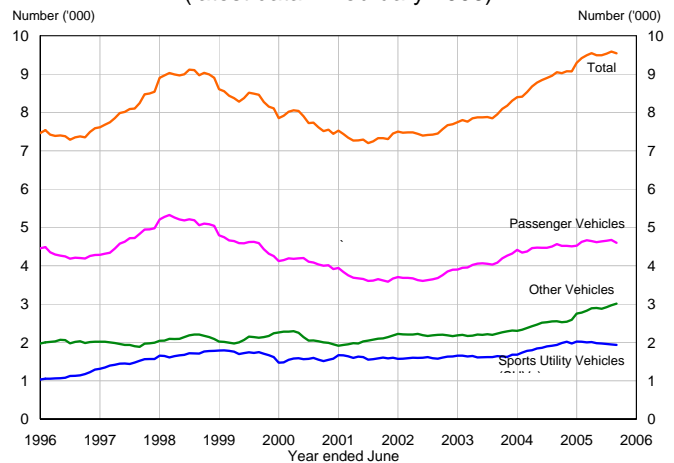
In \$US terms, crude oil prices decreased by 3.9 per cent in February 2006 averaging \$US61.21 a barrel. The recent easing in crude oil prices reflects the unseasonable warm weather in the United States.

Retail Turnover*
(latest data – February 2006)



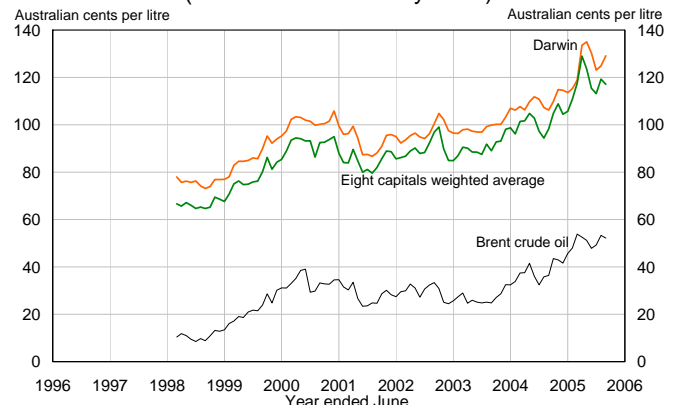
* year on year percentage change
Source: ABS Cat. No. 8501.0

Motor Vehicle Sales*
(latest data – February 2006)



* moving annual total
Source: ABS Cat. No. 9314.0.55.001

Petrol Prices
(latest data – February 2006)



Source: Australian Automobile Association, Reserve Bank of Australia and Oilnergy

Tourist Accommodation

December quarter 2005 tourist accommodation data report modest growth in tourism activity in the Territory compared to the corresponding period in 2004.

In calendar year 2005, growth in accommodation takings in the Territory increased by 8.1 per cent, and while solid, represents a decline from the recent high of 13.6 per cent reported in June 2005 (see chart). Growth in takings in the Territory lags behind growth of many of the other jurisdictions, and the national growth rate of 9.1 per cent. Over the same period, growth in guest nights in the Territory continued to moderate, reporting an increase of 2.5 per cent, down from 11.3 per cent reported in March 2005. In calendar year 2005 room occupancy rates in the Territory increased by 2.3 percentage points, to 60.3 per cent. This represents the highest average room occupancy rate since the June quarter 2000.

Overseas Arrivals and Departures

In original terms, short term overseas visitor arrivals to Australia, increased by 4.6 per cent in the year to January 2006. Over the same time period, short term departures by Australian residents, to overseas destinations, increased by 7.9 per cent (see chart). The somewhat stronger growth in departures may reflect the appreciation of the Australian dollar over 2005, improving the affordability of overseas vacations for Australian residents, while at the same time decreasing the affordability of Australia as a destination for overseas residents.

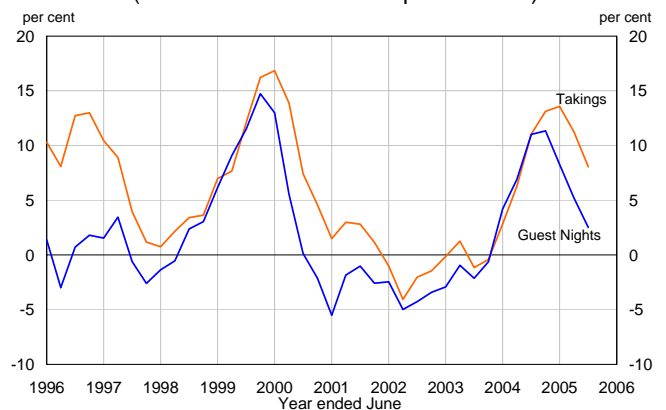
Nevertheless, the recovery in both overseas arrivals and departures from the third quarter of 2003, can be linked to the strength in the global economy, the relatively strong value of the Australian dollar, a revival in consumer confidence following the terrorist attacks in both the United States in 2001 and Bali in 2002 and the absence of any major health risks.

International Trade

Territory merchandise exports increased by 15.0 per cent in the year to January 2006 as higher crude oil and commodity prices offset weaker production from the Laminaria-Corallina oilfields. Over the same period, the value of merchandise imports to the Territory increased by 15.4 per cent, mainly attributable to aircraft imports to Australia where the Territory was the 'port of entry'. The reported increase in imports was also due to higher prices for imported refined fuel and the importation of machinery and transport equipment for major projects. The Territory's goods trade balance increased by 11.8 per cent (\$21 million) in the year to January 2006, to a surplus of \$199 million (see chart).

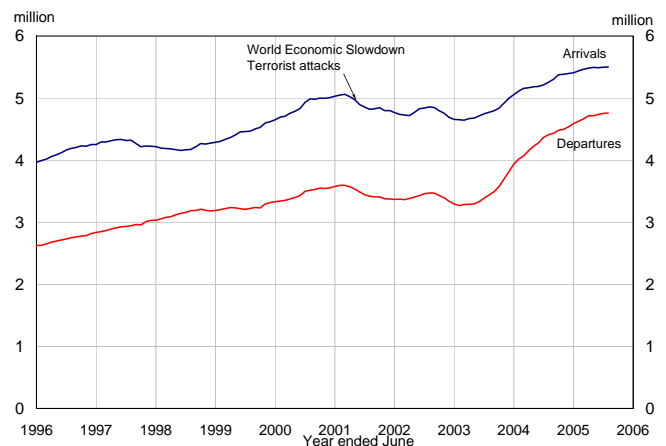
Territory exports are primarily mineral and energy commodities, which account for around 90 per cent of exports. Live cattle account for a further 7 per cent of exports.

Tourist Accommodation*
(latest data – December quarter 2005)



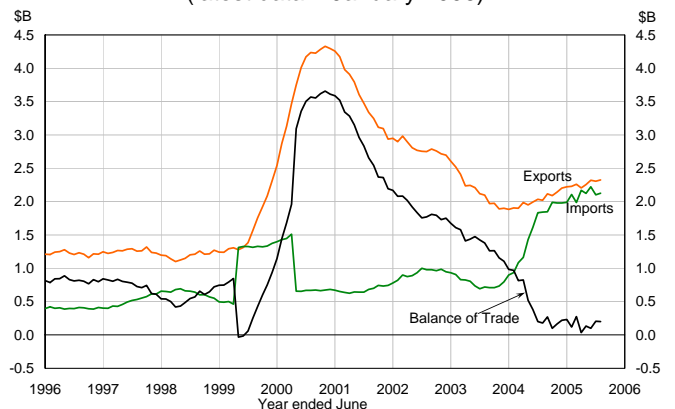
* year on year percentage change
Source: ABS Cat. Nos. 8635.0

Overseas Arrivals and Departures*
(latest data – January 2006)



* moving annual total
Source: ABS Cat. No. 3401.0

Territory merchandise trade balance*
(latest data – January 2006)



* moving annual total
Source: ABS Cat. No.5368.0

Housing Affordability

Territory housing remains considerably more affordable than nationally, and as the chart shows, is the most affordable of the jurisdictions. This is despite a modest decrease of affordability (by 1.3 per cent) in the December quarter 2005, greater than the 0.6 per cent decline in affordability at the national level. When compared to the December quarter 2004, housing affordability in the Territory has declined by 2.5 per cent, in contrast to a deterioration of 1.6 per cent at the national level.

The decrease in Territory housing affordability in the quarter was attributed to two factors. Firstly, the size of the average home loan in the Territory increased by 1.0 per cent (to \$192 291), while at the same time median weekly family income decreased by 0.4 per cent. In the December quarter 2005 Darwin's median house price increased by 9.3 per cent to \$328 000.

Housing Finance for Owner Occupation

In January 2006, the number of seasonally adjusted owner-occupier housing finance commitments in the Territory decreased by 14 to 666, while nationally, commitments were unchanged in the month. In the year to January 2006 the number of Territory finance commitments increased by 1 441, or 23.6 per cent to 7 550, compared to a 10.4 per cent increase nationally. Excluding refinancing, Territory commitments increased by 26.9 per cent compared to a 10.5 per cent increase nationally.

Of the 1 441 additional commitments in the Territory 1 076 were for the purchase of an established dwelling, 189 were for the construction and purchase of a new dwelling and there were an additional 176 refinancing commitments. As the chart shows the value of housing finance commitments in the Territory has experienced considerable growth over the past three years, averaging 37.9 per cent. In the year to January 2006 the value of commitments increased by 32.3 per cent, and while substantial, may reflect some easing in growth.

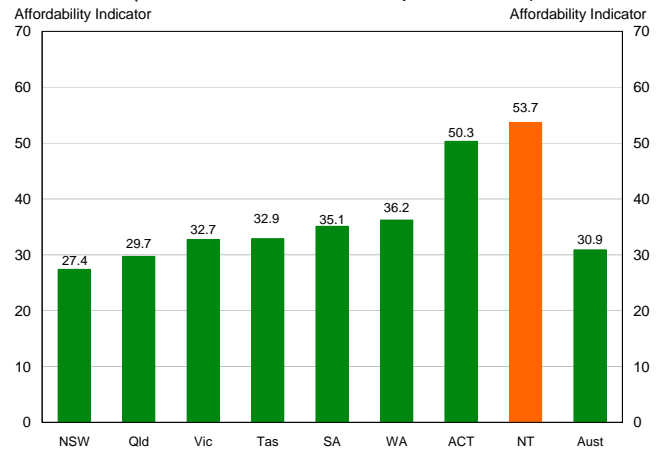
Dwelling Commencements

In original terms, Territory dwelling commencements increased by 61 to 425 in the December quarter 2005. Nationally, seasonally adjusted quarterly commencements (the figure usually reported in the media) decreased by 7.5 per cent in the quarter. The ABS does not report seasonally adjusted data for the Territory.

Growth in Territory dwelling commencements has been led by private sector activity, particularly in the 'other dwellings' or 'unit' category (as the chart shows). In the quarter, Territory private sector commencements increased by 44 to 392, and public commencements increased by 18 to 34. Of the 44 private sector commencements in the quarter, house commencements increased by 3, unit commencements by 41, and there were no conversions in the quarter. Private commencements increased by 8.8 per cent (to 1 182) in calendar year 2005 and public commencements decreased by 25.5 per cent in the same period.

Housing Affordability Indicator

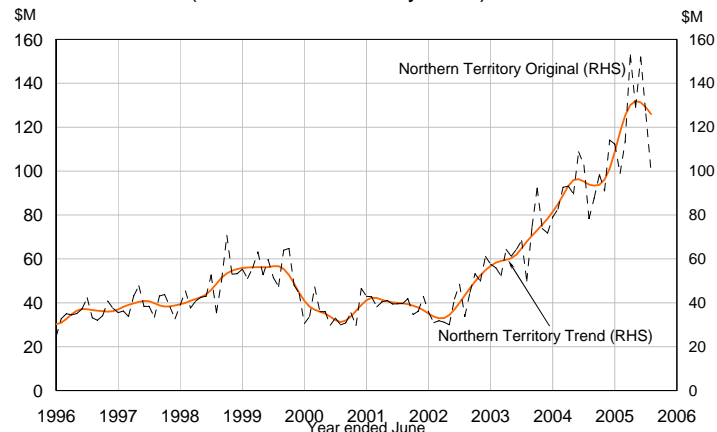
(latest data – December quarter 2005)



Source: AMP, REIA data

Value of housing finance commitments*

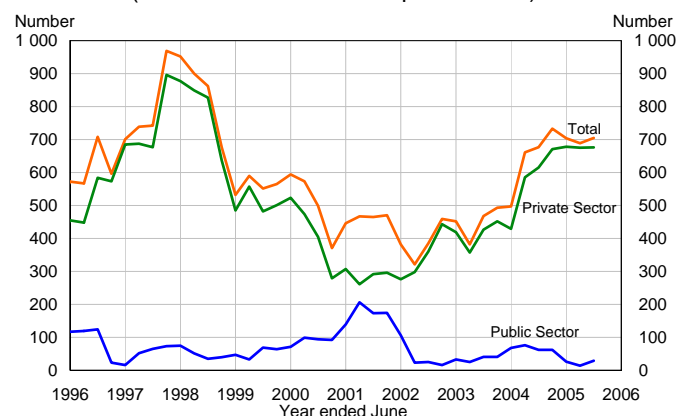
(latest data – January 2006)



* monthly value
Source: ABS Cat. No. 5609.0

Dwelling Commencements (Units)*

(latest data – December quarter 2005)



* moving annual total
Source ABS Cat. No. 8750.0

Building Approvals

In the Territory, residential building approvals increased by 15 to 84 (in original terms) in February 2006, with private sector approvals accounting for all of the increase. The increase in house approvals by 41 (to 77) was partially offset by the decrease in unit approvals, by 25 (to 6), and a decrease in alterations and additions by 1 (to 0). There were no public sector approvals in the month.

In the year to February 2006, all jurisdictions, with the exception of Western Australia, recorded a decline in the number of residential building approvals. In the Territory, residential building approvals decreased by 10.3 per cent to 1 281, compared to a decrease of 8.2 per cent nationally (see chart). Over the same period, the value of residential building approvals increased by 8.5 per cent (to \$379.8 million), in the Territory, while decreasing 2.1 per cent nationally.

Employment

ABS labour force data for the Territory are characterised by extreme volatility and as such should be interpreted with caution. The ABS now estimates that standard errors of labour force statistics for the Territory are much larger than previously published further reducing the confidence that users should place on the figures. Bearing this in mind, the ABS reports that trend employment decreased by around 100 to 97 400 in February 2006. Nationally, seasonally adjusted employment increased by 25 900 in the month to just over 10 million employed persons.

Trend employment in the Territory appears to have reached a turning point in February 2006, decreasing moderately from January (see chart). Territory employment (in original terms) is volatile, peaking in October 2005, at close to 100 000, before decreasing significantly to 94 400 in January 2006. The data for February 2006 show a slight improvement in Territory employment, in original terms. In the year to February 2006 employment has grown by 0.5 per cent.

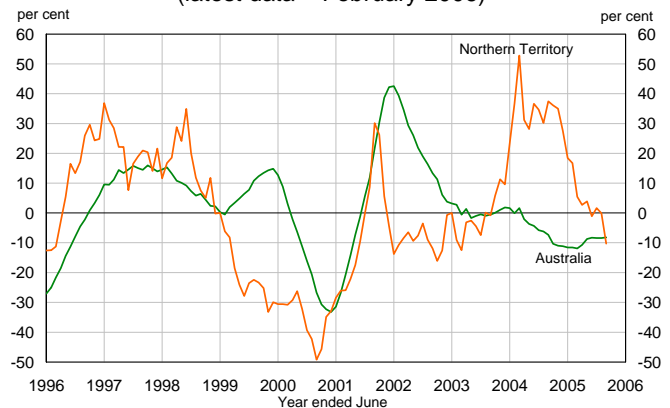
Unemployment

The Territory's trend unemployment rate increased from 6.4 per cent in January 2006 to 7.1 per cent in February 2006. Compared to February 2005, the unemployment rate has increased by 1.2 percentage points. Volatility in the Territory's trend unemployment rate has been quite extreme over the past few years, relative to the national trend unemployment rate (see chart).

At the national level, the seasonally adjusted unemployment rate (the figure most commonly quoted in the media) decreased to 5.2 per cent in February. In September 2005 the Territory's unemployment rate was below the national rate and was the third lowest of the jurisdictions. However, February 2006 data report the Territory's unemployment rate both higher than nationally and highest of the jurisdictions, once again reflecting the volatile nature of labour force data for the Territory.

Building Approvals*

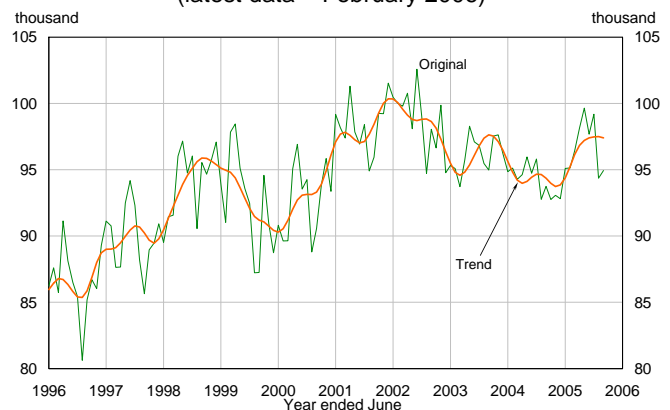
(latest data – February 2006)



* year on year percentage change
Source: ABS Cat. No. 8731.0

Territory Employment

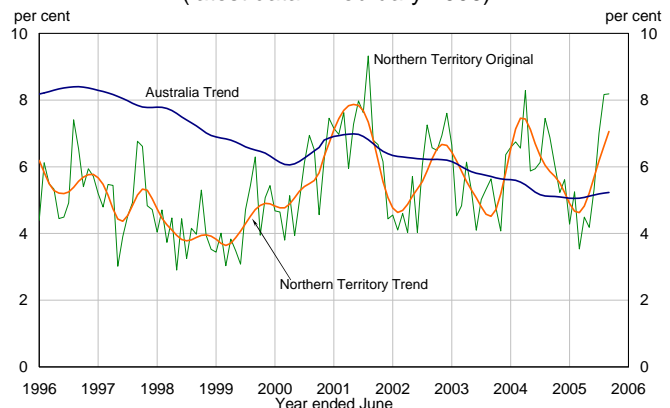
(latest data – February 2006)



Source: ABS Cat. Nos. 6202.0

Territory Unemployment

(latest data – February 2006)



Source: ABS Cat. Nos. 6202.0

GLOSSARY

Consumer Price Index

A general indicator of the prices paid by household consumers for a specific basket of goods and services in one period relative to the cost of the same basket in a base period.

Current Dollars

Nominal. A measure that is not adjusted for inflation or changes in the purchasing power of money. Current dollars specify the value at a certain point in time and are not used to compare value over a series of time periods. Also referred to as nominal dollars.

Dwelling Unit

A self-contained suite of rooms, including cooking and bathing facilities, intended for long-term residential use.

Employed

Persons 15 years and older who worked for one hour or more in the week of the labour force survey.

Final Consumption Expenditure

The value of purchases of goods and services for consumption. Excludes purchases of fixed assets, intermediate goods or additions to inventories. Intermediate goods are those used as inputs for making other goods.

Fixed Capital Formation

Additions to the stock of real capital. Real capital represents assets, except land and natural resources, which are capable of producing income. For example, new and second-hand buildings, plant and equipment and roads.

Goods and Services Tax

From 1 July 2000 the Australian Government introduced a 10 per cent tax on goods and services replacing the previous wholesale sales tax regime. Some items like basic food, health, education and exports are GST free.

Gross Domestic Product

The total value of goods and services produced in Australia over the period for final consumption. Intermediate goods, or those used in the production of other goods, are excluded. GDP can be calculated by either summing total output, total income, or total expenditure.

Gross State Product

Similar to GDP, except it measures the total value of goods and services produced in a jurisdiction. It is the sum of all income, namely wages, salaries and profits, plus indirect taxes less subsidies.

Labour Force

All persons 15 years and over, who are available for work. That is, employed plus unemployed persons actively seeking work. Excludes defence force personnel and non-residents.

Original Terms

Data in original terms is basic, raw data as collected in a survey or a census. It is not adjusted for seasonality or smoothed to remove irregularities to form a trend series.

Participation Rate

The proportion of the population over 15 years of age who are working or looking for work.

Business Investment

Private fixed capital formation for non-residential buildings and structures, machinery and equipment, livestock, intangible fixed assets before depreciation.

Real Dollars

Used to remove the impact of price changes (inflation) in time series data. In the base year current prices equal constant prices. To convert current dollar values to constant dollar values it is necessary to deflate/inflate by the appropriate inflation index number. Also referred to as constant dollars or values in chain volume terms.

Seasonally Adjusted Terms

The seasonally adjusted series is a time series of estimates with the effects of normal seasonal variation removed (that is those fluctuations that exhibit a regular pattern at a particular time of year). Seasonally adjusted terms allow the effects of other non-seasonal influences on the series to be more clearly recognised.

State Final Demand

Final consumption expenditure plus gross fixed capital formation. It represents the total expenditure on consumption and investment in a jurisdiction.

Trend Terms

The trend series is used to analyse the underlying behaviour of the series over time. Trend terms are derived by smoothing the seasonally adjusted series so as to reduce the impact of any irregular components of that series.

Unemployed

Persons 15 years and older who were not employed during the week of the labour force survey and were actively seeking work in the past four weeks.

Unemployment rate

The number of unemployed persons expressed as a percentage of the labour force.

Comparative Economic Indicators*

Indicator	Period	Measure	NT	NSW	Vic	Qld	SA	WA	Tas	ACT	Aus
Economic Growth											
Gross State/Domestic Product ^(a)	2004-05	% change	3.6	1.1	2.3	4.0	2.6	2.7	4.0	3.0	2.3
State Final Demand ^(a)	Year to December 05	% change	10.8	2.8	3.5	5.2	3.0	7.6	6.2	2.3	4.1
International Goods Exports	Year to January 06	% change	15.0	15.0	-2.6	36.1	4.9	24.1	9.1	n.a.	17.8
International Goods Imports	Year to January 06	% change	15.4	7.8	10.5	14.3	9.2	22.4	-19.1	575.0	10.8
Demography											
Population	Sep-04 Qtr to Sep-05 Qtr	% change	1.7	0.8	1.2	1.9	0.6	1.7	0.6	0.5	1.2
Labour Market											
Employment (trend)	February 05 to February 06	% change	3.2	1.2	1.0	1.3	1.5	3.3	3.7	-0.5	1.4
Participation Rate (trend)	As at February 05	%	68.9	62.6	64.4	66.0	61.9	67.0	59.3	72.9	64.2
	As at February 06	%	70.3	63.0	64.2	65.9	62.2	67.7	61.6	71.8	64.4
Unemployment Rate (trend)	As at February 05	%	5.9	5.3	5.5	4.7	5.3	4.7	5.8	3.4	5.1
	As at February 06	%	7.1	5.5	5.4	5.2	5.1	4.1	6.6	3.3	5.2
ANZ Job Ads	Year to February 06	% change	9.9	-9.8	-10.7	-12.5	-2.8	11.7	-1.6	8.0	-5.7
Prices and Wages											
Consumer Price Index	Dec 04 Q to Dec 05 Q	% change	3.0	2.5	2.7	2.8	2.7	4.0	2.9	3.1	2.8
	Year to Dec 05 Q	% change	2.6	2.5	2.5	2.7	2.5	3.8	3.3	2.6	2.7
Average Weekly Earnings (full-time adult total earnings)	As at November 05	\$	1098.1	1129.0	1076.8	1002.1	991.3	1113.3	946.8	1202.5	1078.5
Housing Sector											
Building Approvals (number)	Year to February 06	% change	-10.3	-18.6	-4.7	-8.1	-2.9	6.7	-14.7	-41.8	-8.2
Housing Finance for Owner Occupation (number)	Year to December 05	% change	24.0	4.6	11.7	10.9	5.9	14.6	3.5	3.9	9.2
Housing Affordability Indicator ^(b)	As at September 05 Qtr	Level	54.4	27.4	32.0	30.0	35.6	37.2	32.5	53.6	31.1
Consumer Spending											
Retail Trade (current \$)	Year to February 06	% change	4.2	2.2	3.0	4.7	1.5	5.9	6.3	3.8	3.3
New Motor Vehicle Sales (No.)	Year to February 06	% change	5.5	-1.4	1.5	4.7	0.2	10.3	-0.2	1.7	2.0
Tourist Accommodation - Takings (current \$)	Year to December 05	% change	8.1	8.5	11.3	7.9	4.8	13.3	9.0	8.3	9.1

* original data unless otherwise stated

(a) in real, inflation adjusted terms (b) the higher the number, the more affordable the housing

Source: Australian Bureau of Statistics data, ANZ Bank job advertisement series, AMP Home Loan Affordability Report

Note: Care should be taken in using monthly estimates for the Territory, in view of the small numbers and the volatile nature of the data. Although all due care has been exercised in the preparation of this material, no responsibility is accepted for any errors or omissions. For queries please contact Northern Territory Treasury, Economic and Social Analysis Unit, on (08) 8999 6801.