



Northern Territory

BUDGET 2004

Moving the Territory ahead... **less tax, more jobs, great lifestyle**

M E D I A R E L E A S E

Syd Stirling
Treasurer

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BUDGET 2004 – MOVING THE TERRITORY AHEAD LOWER TAXES....MORE JOBS....GREAT LIFESTYLE

Budget 2004 will move the Territory ahead by delivering record tax cuts and the highest infrastructure spend in the Territory's history, while building on our great lifestyle, Treasurer Syd Stirling said today.

"The record tax cuts contained in the Budget will make the Territory the lowest taxing jurisdiction in Australia for small business and provide us with the most competitive business environment," Mr Stirling said.

"In addition to record tax cuts, the Budget also boasts a \$441 million infrastructure spend, which is the highest-ever by any Territory government.

"Tax cuts and infrastructure spending will create new jobs and boost economic growth.

"This Budget also focuses on initiatives that promote our great Territory lifestyle, while also delivering record funding for health, education and police."

Highlights include:

RAISING THE PAYROLL TAX THRESHOLD TO \$1 MILLION

The payroll tax threshold moves from \$600,000 to \$800,000 on July 1 2004 and moves again to \$1 million on July 1 2005.

An extra 162 businesses will no longer be required to pay payroll tax, of which 127 are locally-based Territory businesses. They will save on average \$20,500 a year.

Businesses above the \$1 million threshold will also save money because payroll tax is only raised on each dollar over the threshold.

The payroll tax cuts will save Territory business \$7.2 million a year from July 1 2005. They come on top of reductions in payroll tax from 6.5% to 6.2% already introduced by the Martin Labor Government.



\$441 MILLION IN INFRASTRUCTURE SPENDING

The highest ever cash injection focusing on tourism, roads and strategic development projects. It includes:

- **\$60 million over three years for tourism infrastructure**, including \$38 million for Mereenie Loop Road and \$15 million for Litchfield Loop Road. This follows a record \$27.5 million funding boost for tourism announced late last year, which will generate close to \$220 million for the Territory economy over the next three years and up to 950 extra jobs.
- **A \$118.9 million allocation for roads in the Northern Territory** – including \$44.4 million for NT Roads Capital Works Program; \$29.6 million for Commonwealth Roads Capital Works Program; \$29.4 million for NT Roads Repairs and Maintenance; and \$15.5 million for Commonwealth Roads Repairs and Maintenance.

HIH LEVY ABOLISHED

The 4 per cent levy will be immediately abolished – eight years earlier than scheduled – saving Territory business an estimated \$2.7 million in 2004-05

MORE SUPPORT FOR OUR TERRITORY LIFESTYLE

With additional funds for recreational fishing; sports infrastructure and programs; sporting and entertainment events; arts and culture; and protecting our environment

RECORD EDUCATION SPENDING OF \$540.6 MILLION

This includes a record ongoing infrastructure program of \$64million

RECORD HEALTH SPENDING OF \$635.4 MILLION

The Health Budget is up \$23.7 million, including a \$18.6 million boost for hospitals.

POLICE, FIRE AND EMERGENCY SERVICES BUDGET BOOSTED BY \$8.6 MILLION TO \$172.4 MILLION

Funding has increased by 21% over the past two years.

“This is a pro-business, pro-jobs, pro-growth budget that will keep the Territory moving ahead,” Mr Stirling said.