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TREASURER**

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TERRITORY ECONOMY MOVING AHEAD

Following strong growth in 2004-05, the Territory economy is expected to gain further momentum in 2005-06, Treasurer Syd Stirling said today.

“The Territory will continue moving ahead over the following year, with more jobs, a growing population and stronger prospects across a range of industries,” Mr Stirling said.

The economic outlook for the Territory in 2005-06 will feature:

- Gross State Product growth of 6.2%
- Jobs growth of 2%, with local jobs on the Alcan expansion and the Trans-Territory pipeline more than compensating for construction winding down on the Wickham Point LNG plant
- Population growth of 1% in 2006, after the Territory population passed the 200,000 mark earlier this year
- Territory Final Demand growth of 4.7%
- Consumption growth of 4.2%
- Investment growth of 6%, supported by increased public sector spending

“The strengthening outlook for the tourism industry and residential construction will contribute to more local jobs and strong economic growth, as will:

- the start of construction on the Darwin Convention and Exhibition Centre
- the start of LNG production
- manganese production from Bootu Creek
- the \$2 billion Alcan expansion at Gove
- construction of the Trans-Territory pipeline
- construction for the Desert Knowledge Precinct in Alice Springs

“The Martin Government is backing the Territory by supporting economic growth, building a skilled local workforce and attracting more skilled workers here from interstate and overseas to meet increased labour demand and boost population growth.”

Mr Stirling said the Government was on track to meet its fiscal predictions for the Budget.

“Government set a target of achieving a balanced budget by 2004-05. The expected outcome for 2004-05 is a surplus of \$46 million, due to increased economic activity and population growth. The \$46 million will be used as the Territory’s partial contribution to the Darwin Waterfront and Convention Centre project.

“The Territory Budget is expected to be back in deficit in 2005-06 and every year after that until 2008-09, when we expect to achieve a balanced budget.”

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