

Transport and Communication

- Darwin's geographic location means it is strategically placed between Asian markets and Australia's south eastern states.
- With the completion of the Alice Springs to Darwin leg of the rail link to Adelaide and the new East Arm Port, Darwin has the infrastructure to be the regional transport and logistics hub.
- Rail is now the dominant transport mode on the north-south freight route. Nonetheless, road and air transport will continue to service niche freight markets.
- Access to sophisticated information and communications technology and increased coverage has facilitated improved and innovative service provision mechanisms in remote regions.
- In the short to medium term, the major influence on the outlook for the transport sector is value-adding and trade opportunities associated with the new rail link and port.
- Improvements in communications technology and coverage are expected to increase the scope and quality of public and private service provision, particularly in remote areas.

The Public Sector

- The public sector consists of the Australian, Territory and local governments and includes defence. It is a major contributor to the Northern Territory economy, providing a wide range of economic and social services.
- In 2003-04, government administration and defence, and the other predominantly public sector industries (health and education), together accounted for more than 21 per cent of the GSP. About 34 per cent of Territory State Final Demand was attributable to public expenditure, of which 89 per cent was consumption related.
- The proportion of public sector-related industries in Territory GSP continues to be well above the national average, in part because the cost of public sector service provision is relatively high in the Territory as a consequence of a small and widely dispersed population, compounded by higher average cost of servicing people in remote communities. These factors also contribute to fewer private sector providers.
- The importance of the public sector in the Territory has not diminished in significance over the past decade, reflecting the defence build up and increases in local and Territory government employment (partially offset by reductions in other Commonwealth non-defence government employment).
- There is expected to be modest growth in public sector employment in the Territory in coming years, due partly to increased defence personnel associated with greater defence functionality in the Top End and further service delivery initiatives flowing through to employment.