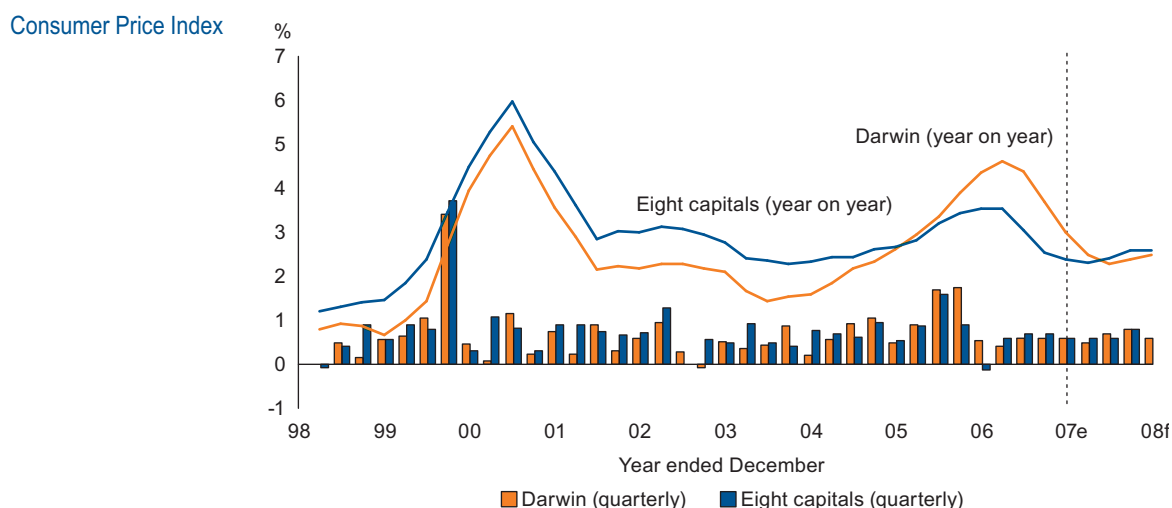


Prices and Wages

- » In 2006, Darwin's Consumer Price Index (CPI) increased by 4.4 per cent, compared to a 3.5 per cent increase nationally.
- » Inflation in the Territory is expected to fall significantly in 2007, largely reflecting moderating growth in housing prices and lower fuel and banana prices.
- » Darwin CPI growth of 3.0 per cent and 2.5 per cent, is forecast for 2007 and 2008 respectively.
- » In 2006, the Territory's Wage Price Index increased by 3.9 per cent compared to 4.0 per cent nationally.
- » Strong wages growth in the Territory and nationally over the past two years reflects the impact on wages growth of the tight labour market and skilled labour shortages, especially in construction, mining and health.
- » Wages growth in the Territory is expected to moderate in 2007 as the Alcan G3 refinery expansion is completed and growth in public sector wages is constrained by the Territory Government's public sector wages policy.



e: estimate; f: forecast

Source: Northern Territory Treasury, ABS Cat. No. 6401.0