



In keeping with the tradition of previous years the Chamber of Commerce hosted the first of the public Budget presentations at a lunch on 6th May, the day the Treasurer, the Hon. Delia Lawrie, delivered her budget to the NT Parliament. Other than the pre-budget lock up, which is conducted on budget morning, this function is the first occasion at which the Treasurer presents her budget to the public and is available to answer questions relating to the documents.

It is not unusual that there are only a limited number of questions raised at this presentation due to the fact that many of those in attendance are receiving their first glimpse of the forthcoming budget. The paucity of questions this year, however, could have been the result of either too much information, or not enough. It may also have been due to the changes in Government ranks with a new Treasurer delivering her first budget after being appointed in late 2007. Whatever the reason, only two questions were raised once the Treasurer had delivered her presentation.

So what does this budget mean to the majority of business people in the Northern Territory? That is a difficult question to answer as there are many differing views within industry about what makes a good budget. The reduction of payroll tax rates is always welcome, although it is interesting to note that although the rate was reduced, there was no movement in the threshold limits. We will continue to urge the Government to reduce payroll tax as this is an unwelcome burden on industry and an indirect tax on employment. The reduction and removal of some stamp duty categories is also welcome, although the area of relief sought by the Chamber in our pre-budget submission was not addressed. It would be far better for industry if government addressed the issue of stamp duty on the transfer of assets between businesses with common ownership.

The issue of land release for both commercial and residential use continues to perplex the government and vexes industry. Labour shortages within the Territory can only be overcome with the importation of people from either other States and Territories, or from overseas. A major factor in attracting staff is the cost of available housing, either through rental or purchase. Although the Government has made a number of releases available recently, timing and impact have been negligible on the market and there is an urgent need for the government to fast track some of the headworks

required to make this land available for development. We have yet to convince the government that the release of land does not automatically mean that land values are reduced.

In many respects the 2008 Northern Territory budget is a “middle of the road” budget with a little something for everyone but not a lot of big bang items. The level of Capital Expenditure is good news for industry but, coupled with the current Federal Intervention, could place extreme demands on local suppliers and see a shift to non-Territory operators becoming involved.

The other question raised by many and yet to be answered was, “is this an election budget?” Alas, only time will give us that answer although there are many indications that we could find ourselves going to the polls before the end of this year.