NORTHERN TERRITORY
of AUSTRALIA

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Member for Fong Lim

HANSARD EXTRACT

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Territorians are doing it tough. The choices made by the CLP government only make it tougher. Power, water and sewerage services are essential; they are not optional extras. They service the basic needs of everyone. It is our air conditioning, fans, fridges and lights; it is everything that is essential for daily life.

The choice to raise power prices higher than inflation will impact our schools, councils and every household in the NT. This government is out of touch with everyday Territorians and not listening to the people who are struggling. These price hikes must be reversed, and the hard work to plan and deliver our energy future must be prioritised.

Dr RAHMAN (Fong Lim): Mr Deputy Speaker, great—this is another episode of 'magical money tree economics' by the financially illiterate excuse for the opposition. This is hilarious.

I do not know how many times we will have these ridiculous discussions. Honestly, call for help from the mothership. Between the lot of you nothing sensible gets strung together to interrogate what we are doing with the economy. I cannot believe that this is your best bet for how to spend your precious time on General Business day. It is a fantastic, coordinated campaign. I love the corflutes in Palmerston—5.3%. The scare campaign is coming. It is unbelievable.

Perhaps the Member for Nightcliff can call upon his luminaries like Mark Dreyfus and we can bring in the big guns, or maybe the Member for Gwoja—who is currently busy doing the McKinnon Advanced Political Leadership program in preparation for taking over this whole operation, no doubt—can find economic assistance from his newfound colleagues. I mean, this is ridiculous.

The Leader of the Opposition has to stop winging it. We have one extreme to the other here. We have Mr Ed—sorry, the Member for Nightcliff—who cannot deviate from his speech, however irrelevant it is to the order of the amendment, then on the other side of the equation we have the Leader of the Opposition, who just needs a speechwriter at this point. We are stringing together loose threads of anything that might happen to be adjunct to the word 'economy'.

It is astounding that we are doing this now. I spoke at length in May four times for almost an hour-and-a-half, I think it was, and I promised at budget time that I would not, after this, forensically deconstruct your economic mismanagement for the 10,000th time. The sad reality of it is—and I apologise to my colleagues who have heard, internalised, understood and processed it and are acting on it—it turns out whoever is left of the opposition, whoever is here to hear the message, still has not understood why power prices have gone up and why the economy is cactus.

It is because you tanked it over a decade; that is what happened. We went through eight Labor budgets, and we explained last time exactly where things went wrong. I admitted that I did not think it was the most dynamic budget that the Treasurer could have passed, but it was a fiscally responsible one. You know what he is doing again? He is making the fiscally responsible choice to raise utility prices at a time when you also need to make money to keep pace with costs.

This is where we are kind of going wrong. Member for Nightcliff, respectfully, you are saying that we are not making the hard choices. We are making extremely hard choices at a time when I pointed out budget after budget of just kicking the can down the road, paying for your wages bill on credit and doing nothing on structural reform for the economy or to actually stimulate growth. Your entire plan was an episode of *Utopia*. It was hilarious—people are still laughing about it—but the joke is wearing thin.

The reality is that we have pressures on public health, housing, education and infrastructure. That is the consequence of Labor's deleterious economic mismanagement of the economy. That is why we have these price hikes. The Treasurer said that it is not fun to put up prices; nobody wants to have to do it. But again, a modicum of reality and perspective about this: we do not have the worst power or water prices in the country. We are within the median band of what is being charged across the country.

The hyperbole to make it seem like we are gutting the everyday person on the cost of living …

Mr Smelt: You are.

Dr RAHMAN: It is so ridiculous. You will have to do better than that. You cannot peddle nonsense economics with me, Member for Nightcliff. I am sorry, but I will catch you out. If you want to play that game, it will not work well for us.

Your pitch was that had we not pulled the plug on the sinking ship of the Alice Springs art gallery, that might have somehow prevented any of this. That is a seriously long bow. I am a fan of the arts; I think everyone knows it. I would have loved to see that gallery up and running, and I would have loved to have seen Labor not wreck the prospects for that project over a long period, but the fact is that would not make us money in the short term. It would make us money in the long term had it not been driven into the ground in the manner that it had been.

Last time I spoke for 70 minutes I said that the sum total of new ideas coming from that side was water pricing. Coming from a hydrology background and the Member for Nightcliff an engineer, my friend, you would appreciate that water is a precious resource and there is an argument to be made for the pricing of water. That is seriously the only new argument I have heard about anything to do with economics on that side.

I am telling you, call the mothership. Do it. Get reinforcements. It is crazy.

Advocacy for council is great. It is important that there is a linkage between levels of government, and it is important that we have expertise in this room in former councillors. It is also important that we can build that bridge, but the fact is councils are not paying above the odds, and these price drops are not coming completely out of the blue. They are happening because we have been deferring all these costs for such a long period.

I will not go through the entirety of my hour-and-a-half worth of speeches on 6 May but, please, read just some of it—get the headlines. My colleagues are across it because my colleagues hear it from me and are seeing action from the Treasurer who is making prudent choices to do what is required to try to provide cost-of-living relief in small and targeted but meaningful ways at the same time as delivering fiscal discipline. That is what is happening over here.

Mrs Zio: You might need to give a definition.

Dr RAHMAN: Definition—you are probably right. I cannot redo the entire speech over again, Member for Fannie Bay; I take the interjection. Mr Ed, you are a likeable fellow, and that was a glorious litany of clean-cut wisdom, but the bottom line is it will not cut it when making tough economic choices, and that is what the Treasurer is doing now. I am supporting him to do that.

Our side is keen on making the tough choices. As I said, I promised not to go through it, chapter and verse, but you just have not processed the message of why our economy is in the state it is in or seemingly even read the budget papers properly. There is a wanton disregard for the actual content at budget time, and we cherrypick selectively. The Treasurer pointed out in Budget Regional Overview on pages 10 and 11 a whole lot of cost-of-living relief measures.

I will not waste my precious time re-reading all of that, but it is a bit rich when the Leader of the Opposition points out that there is an incorrect statistic on your website. Go and read the other 4,000 pages of correct statistics that are on hard-copy paper, and that is what we are pivoting our discussion on today. You may not have got the message, but Territorians got the message.

Mr Howe: Hear, hear!

Dr RAHMAN: Thank you, Member for Drysdale.

I know because I have conversations every day with Territorians about the economy. I talk to Territorians frankly about two things almost daily in my job. The first one, serendipitously, is about VAD, and I am delighted to be part of the government that is finally sorting that mess out as well when Labor failed to do anything about it for decades. The second one is the economy because day-in, day-out, whether it is business owners, everyday consumers, schools or public institutions, people have concerns about the economy, but people understand at their core that Labor wrecked the economy, and we are trying to fix it.

The way we are trying to fix it may not be to everyone's liking or choosing. I freely declare that I would make different choices than the Treasurer, but we are across the totality of this argument being fiscally disciplined, responsible and making choices to try to create more opportunity for everyday Territorians. We are doing that by generating more labour, capital and ideas because you can only keep recycling the same stuff over again so many times hoping to produce anything more from it.

We need new inputs into the system. First, you must stabilise the ship, and to do that you stop the wanton spending on a credit card in perpetuity, which was Labor's solution. Member for Nightcliff, Deputy Leader of

the Opposition, I appreciate that you are not responsible for the poor choices that were made by your predecessors. Now show leadership, take ownership of those poor choices and move forward constructively.

I will give you this: I agree that we have an abundance of gas and sun, and I think we should make best possible use of both of those things. I have been saying that long before I was a political candidate. Could we do more to harness the power of the sun in a more meaningful way? Potentially, we could. Talk to us about that on General Business day rather than this pure nonsense.

I love that the Leader of the Opposition saw fit to unpack the deliberate choices that we made. That is right; they are deliberate choices to raise power prices in a small way to try to mitigate rising costs, inflation and volatility in energy markets and supply of things like diesel, for reasons that we all understand. There is nothing wrong with doing that, but again let me unpack for you how you egregiously mismanaged our economy for almost a decade with delusions. I went through it chapter and verse previously. The bottom line is you have to have strategies for not just how to spend money. Budgeting is about more than just spending money; it is about how to save money institutionally, how to stop the wastage of money institutionally and how to make money institutionally. We are powering ahead on all those things. Little by little we are making progress on all those things.

How do we know we are making progress on them? Because the economic metrics are starting to prove that we are performing better in all those regards. I will not go through all metrics yet, because it is worth getting a reality check for a second on the motion at play. We are essentially being asked, in the original motion—which is somehow still being supported by the opposition—that we should reverse our price hikes because they do not like it and because it is tough. Well, it is tough across the country and everywhere.

We are trying to make sure we are tough but fair in that regard. What does tough but fair look like? It looks like a power increase which puts us as the fourth cheapest nationally still, at 34.36c per kilowatt hour. Our water increase puts us as being the third cheapest nationally, at $3.43 per kilolitre. The NT still has the third-lowest utility bill increase over the past five years.

It is not like we suddenly slammed the place; we have done what we can do to keep pace with cost pressures. The Treasurer is right; power and utility prices have increased by 0.1% above what we estimated 2025–26 CPI to be in the budget. Go and look; it is 5.2% to 5.3%. That is because the cost of generation for electricity has increased between 15% and 20% due to increased gas and diesel cost. We are doing what we can to shield Territorians from those increases.

We have increased the community service obligation by $58m to a total of $225m. If we took that away, power prices would go crazy. Remember, the community service obligation is not magical money either; it has to be paid for.

It is easy but lazy for the Deputy Opposition Leader to get on the radio and say that we should increase that, and Bob's your uncle. That still has to be paid for from somewhere. It is a lazy argument and, frankly speaking, we should not be having it.

We want Beetaloo gas to come online and supply the Territory with cheaper gas over a period because it will mean lower prices for Territorians over the long haul. However, it will take time and in the short run other things will have to be done to structurally reform the economy. Yes, gas will come online, but we still need to do the hard work of saving better, spending more wisely and stopping wastage. These are the things that have to be done by responsible government to be fiscally responsible.

It is true; Labor members do not even want to say the word 'Beetaloo' anymore. We have reached the point where they literally will not even talk about the Beetaloo. It was not mentioned in any of the budget reply speeches.

The fact is Labor did nothing during its term to lower the cost of generation; it kept putting power bills on the credit card, and now we have to pay it all off. The debt legacy means we have limited flexibility. It is cherrypicking on the solar feed-in tariff. We doubled the feed-in tariff to 18.66c per kilowatt hour for regulated customers who export electricity between 3 pm and 9 pm. We are trying to find compromise positions to move the argument forward sensibly.

The Treasurer spoke at length about all the small but meaningful things we are doing to improve costs for vehicle ownership in the Territory. We have done things on registration and trailers, and all of those have a material impact on cost of living.

The 2026–27 budget delivered more than $290m in concessions and subsidies. That was the first thing I pointed out when I spoke at budget time. It was raised over and again. It should not be necessary to itemise all those line items again, but there is $225m in power and water concessions and subsidies, free swimming lessons, free TAFE courses, early childhood subsidies, sport vouchers and $1,000 for apprentices to purchase workwear. I could go on and on.

The point is it is just not reasonable to say that we are providing no cost-of-living relief or that we are negligent in raising power prices. There is a range of measures for seniors which, again, I could go through at length, but I imagine my colleague, the Member for Sanderson, will speak to in his capacity as the relevant minister.

It is unfortunate that the opposition members were so irresponsible with their finances in their last term of government. We would love to be in a more financially flexible position, but we have to operate within the bounds of the situation that we have inherited. Our predecessors left us somewhat constrained in what we can do, and the worst thing we could do now would be not to keep pace with CPI at a minimum, because we need to make progress economically by making prudent choices fiscally.

It is frustrating that in the budget time, I thought we had put this behind us. I think I said at the time, prima facie, the reality of it is that we are providing cost-of-living relief, as there is $290m or something in there. It is all there to read about, if you care to take a look.

The trouble is that we do not treat economic argument seriously. We cherrypick data, then throw tantrums, and there is still a massive gap between budgetary rhetoric and reality.

I forensically pointed out those gaps in my last speech in relation to the structural deficit paradox; net debt per capita; over-reliance on GST windfalls; failure to achieve meaningful and substantial population growth; infrastructure mismanagement; massive cost blowouts tying us to projects that we simply cannot get out of; stagnant private investment despite all the *Utopia*-esque announcements; projects being revoted without being thought through; and cost of living and the utility price squeeze.

Darwin is an expensive place to live, work and do business. The only way you can change that over the longer run is by bringing more inputs in the system—more capital and labour.

Housing supply and homelessness—we spoke last time about the fact it is necessary for us to generate supply in the housing market because the strongest periods of economic growth in the NT correlate with when net interstate migration is also positive. Those periods correlate with when we build surplus to housing requirements. They correlate with periods like post-Cyclone Tracy, when we built Palmerston and Karama and when we built Cullen Bay and created headroom and supply in the market.

We are trying to start that process; you have to start somewhere with it. We started by providing stimulus to first homeowners to build houses in new build areas. Do you know where more of those houses are built than anywhere else in the Territory? In Northcrest and Fong Lim. I know what I am talking about on this, and the reality is that we have to create supply.

The public service bracket creep was another point I mentioned last time. The bottom line was that the Territory Labor period of governance economically over the last decade was basically defined by a transition of aspirational planning through to crisis management. We were not the only ones who pointed it out; Labor's own 2018 Langoulant report made it super clear in that scathing reality check that there was a wages bill that was blowing out, population that was stagnant and a whole lot of wasted money on a whole lot of wasted ventures which were nothing more than marketing and smoke and mirrors.

Mr CHARLS: A point of order, Mr Deputy Speaker! Pursuant to Standing Order 43, I move that an extension of time for the Member for Fong Lim.

Motion agreed to.

Dr RAHMAN: It is probably prudent for us to reflect on the positives as well. We can do all of this difficult stuff where we have to point out that basically the opposition cannot count, but we also need to move forward and understand that there are positive signs economically at the moment.

Those signs are not total vindication of the economic strategy of the government, but they at least provide indication of signs of hope. Some things are moving in the right direction. Let us have a little think about some of those, because I would like to see us continue to improve on those. Again, I make clear that there are many choices I would make economically that I have robust discussions with the Treasurer about. I would

like us to do things differently, but the strategies that we are following—and I am a member of this team backing them—are providing positive dividends.

First of all, regarding employment and participation, a record number of people are employed in the Northern Territory. We have more Territorians in a job than ever before, and that is a positive thing. Employment in the Territory has increased from 3.3% in trend terms and 3.7% in seasonally adjusted terms. It does not matter which way you want to cut it; more people are in jobs. That is a positive thing. We also have the prospect of things on the horizon that will create more opportunities and jobs.

We all talk about Arafura Nolans, Core Lithium and the Beetaloo coming online, and they will provide a pathway for employment growth across the Territory. The participation rate is up as well, which is a positive thing for people who otherwise would choose not to engage in the economy. The participation rate is up by about 1.2% for the year ending May 2026. That is above the national average, which is a positive sign. On employment and participation, we are starting to see a bit of positive movement.

Household spending is up; that is positive as well. If you break down household spending, you can see that it is not just 10.1% in the year ending May 2026 in seasonally adjusted terms; the growth categories are in miscellaneous goods and services and in recreation and culture. Essentially, these are proxies for restoring the Territory lifestyle. People are spending money in the Territory; consumer spending is up. That is a positive sign. It is above the national average again. Household spending patterns indicate that Territorians have more confidence in the local economy and in spending locally.

I get cautious when talking about trade surplus figures, because the fact is that you can demonstrate huge growth in trade surpluses that does not necessarily materially impact the everyday Territorian. However, they are still a sign of overall activity and growth in the economy. In that regard, our trade surplus has increased by 3.3% to $8.5bn over the 12 months to May 2026, which is an increase from $8.2bn in the 12 months to April 2026.

That is an increase in the value of goods that we are exporting and a decline in the value of goods we are importing. These things are not necessarily good or bad in isolation. They show signs of growth and movement in the economy.

You have to be able to spin multiple plates. These things are happening, and at the same time you have to bring adjustments to the system—for example, reflecting the rising cost of power. That is what these power and water charges are about.

Job vacancies can mean different things to different people. We have growing job vacancies, even though we have rising population and record high levels of employment. What does that mean? It means there is sustained demand for workers, which again means there is solid economic activity.

I maintain, putting my economist hat on, that we need a massive injection in labour supply to grow sustainably going forward. This is not new to anyone in this House. I have been banging on about it the whole time I have been here. If you take the metrics in isolation, you see that in the system at the moment jobs are being filled, people are participating in the economy, there is demand for workers and there are high rates of vacancies. That is something you can work with to create more economic growth. You can offset having to demand more from people in wages, subsidies, taxes and so on and so forth.

Population is the single best salve to all that. Our population is starting to stabilise. I have gone through this forensically so many times that I just cannot do it over and again. There is still wide misunderstanding about what is happening population-wise. The fact of the matter is by the last quarter of data in the period when Labor was in charge, we were down to 0.7% in year-on-year population growth. Our population was starting to demographically haemorrhage. It has started to stabilise in every quarter of data since we have come into office. There has been a turnaround on that. Now we are up to 1.6% or 1.7%—I forget—off the top of my head, year-on-year growth. That is a positive thing. Some of that is international students, no doubt about it. Some of that is short-term movements, but some of that is also Territorians choosing not to leave—certainly not at the rate they were leaving at before.

I love it when people just discover these numbers for the first time, and they say, ‘Hang on! Net interstate migration means people are leaving the Territory.’ I say, ‘Yes, they have always been leaving; that is our resting state. They have only not been leaving in three periods in our history, frankly.’

We need to grow our population by getting the right overseas people here who we can invest in to keep for the long haul to build for the future. We need to maintain a stable natural increase, which we have been

reasonably good at. Ultimately, we also need to mitigate net interstate migration that is negative and—as the numbers would suggest—that is exactly what we are doing. Is it enough to suddenly turn around the entire economy and cause a massive boom? No. It is stabilising the ship that Labor was tanking for more than a decade. That is the reality and, demographically, that is what has happened.

Local prices are also stable. When we are talking about the cost of living, have a look at what is happening on CPI. You will see that whilst Darwin's CPI has increased by 3.9%, that is the second-lowest result of the capital cities; national CPI has increased by 4%. We have the average basket of goods here still being relatively affordable without changing wildly in a crazy, volatile manner; local prices are reasonably stable.

Engineering construction continues to increase by 18% to $347m in the year end March quarter. That is a positive sign; there are still signs of people trying to build stuff. For the most part, it is people who have already invested in the Territory who are now doubling down on reinvesting here and are building more. We need to attract new private investment from outside, and our ministers are doing all the hard work to do as much as they can with that.

It was a pleasure to see everybody at the 2026 NT Investment Summit the other day. I know the Minister for Trade, Business and Asian Relations works tirelessly trying to find new sources, lines of credit and investors for us, and we will have to determine which of those are the right mix for the Northern Territory economy.

Engineering construction is up as well as building approvals. Residential building approvals are up by 55% in trend terms—across the year—which is the second-best result across the country. The fact is that residential approvals have increased by 14.5% across May to 95. This was the best result in the country and was higher than any point under the former Labor government. We are stimulating signs of growth.

This motion is about the cost of living, and the fact of the matter is that affordability here is still relatively good on many metrics—one of them is on the purchase of a home. The Northern Territory is rated the second most affordable place to purchase a home under the Real Estate Institute of Australia's Housing Affordability Report. We are still creating supply, but I would like us to generate more supply, more aggressively, and I would love it to be in Fong Lim. We are generating supply that is creating headroom in the markets as well as signs of economic activity and building approvals. It is resulting in engineering construction and is stopping the total haemorrhage of tradies and contractors who might otherwise be going elsewhere to more stable markets where there is more work guaranteed.

I do not enjoy talking about these things in perpetuity, and I hope the opposition will start to bring more sensible things for us to discuss on General Business day. Simply throwing a tantrum and saying, 'Undo your price rises to Power and Water' is not constructive; it is silly. We are doing the hard work of trying to be fiscally responsible, and we are making the hard choices to move the Territory economy forward slowly.

Rebuilding an economy takes time. We are putting together the fundamental building blocks, and the reason we must do it is because, sadly, it is true that you cannot trust Labor with the economy. I hope that there will come a time when I can say, 'You can trust them; they just have a different set of ideas.' Currently, you cannot trust Labor on the economy, and for that reason I am happy to support the amended motion moved by my learned colleague, the Treasurer.

Mr BROWN (Arafura): Madam Speaker, I refuse the amendment that the government has put forward. Every time I come here I relate it to my remote communities and conditions, because whatever happens in Darwin also has a huge effect in our communities; it bumps up prices everywhere.

The government has made a deliberate choice from 1 July. Territorians are now paying 5.3% more for power, water and sewerage. That increase is above wage growth and is also above the rate that household incomes are growing.

Utility hikes often have a greater impact on people living in remote and regional areas. Remote and regional areas already face higher living costs due to transportation expenses, limited competition amongst suppliers and the high cost of delivering goods and services.

The power system in a remote community normally comes from a power station that is run by diesel generators. That cost then flows on to how much people can use and afford.

People in remote communities do not have choices in regard to housing; therefore, they pay more for fan usage and air conditioning for cooling. The larger properties will consume more energy. They have a greater