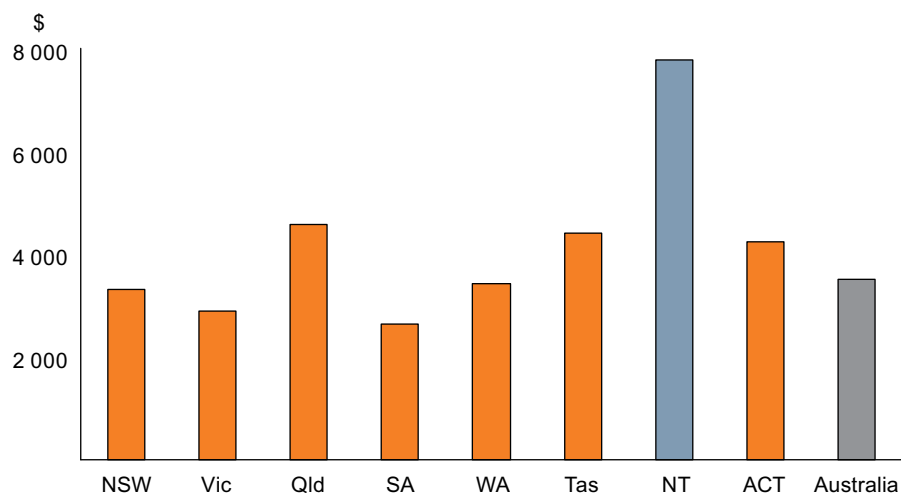


## Tourism

Tourism contributes an estimated 6.4 per cent of Territory GSP, compared to 3.7 per cent of Australia's GDP in 2006-07.

Total tourism expenditure in the Territory declined by 12.4 per cent in 2007-08, but total visitor numbers have recorded positive average annual growth over the past five years. The Territory has the highest tourism expenditure per head of resident population.

Tourism Expenditure Per Head of Resident Population, 2007-08



Source: Northern Territory Treasury, Tourism Research Australia, ABS Cat. No. 3101.0

The downturn in the world economy is expected to reduce tourism activity around the world and the Territory is already feeling the effects of the slowing demand. Tourist numbers are expected to decline in 2008-09, with travel decisions being deferred due to uncertain economic conditions. However, the medium- to long-term outlook for tourist numbers and expenditure is positive.

Recent expenditure on tourism infrastructure places the Territory in a good position to benefit from future tourism growth. In the long term, the industry can look to continuing to benefit from its positioning as a nature and cultural destination.