

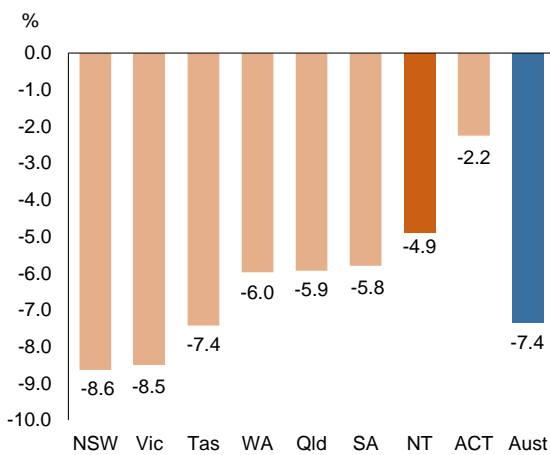
ECONOMIC BRIEF

State final demand

June quarter 2020

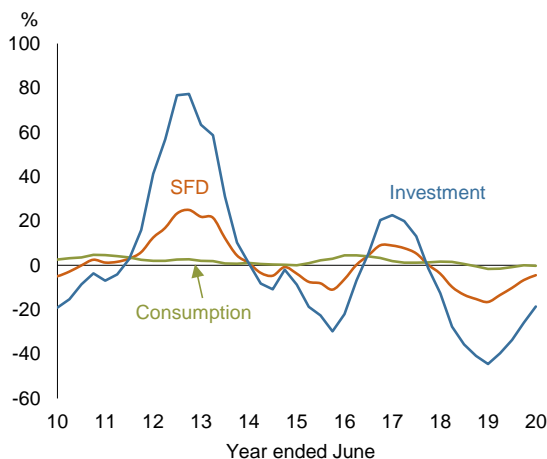
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Chart 1: State final demand (quarterly change, seasonally inflation adjusted)



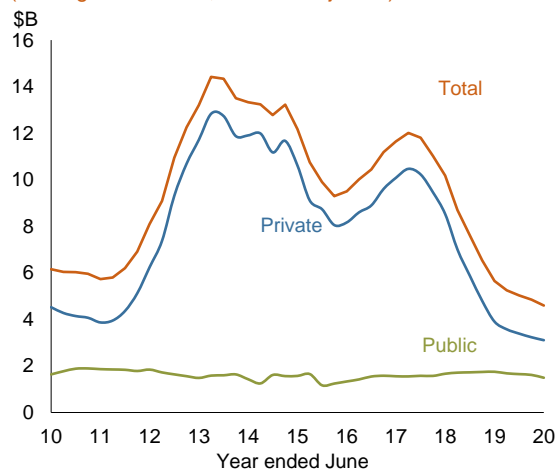
Source: Department of Treasury and Finance; ABS Cat. No. 5206.0

Chart 2: Territory state final demand (year-on-year change, inflation adjusted)



Source: Department of Treasury and Finance; ABS Cat. No. 5206.0

Chart 3: Territory investment (moving annual total, inflation adjusted)



Source: Department of Treasury and Finance; ABS Cat. No. 5206.0

State final demand	NT	Aust
Quarterly change (seasonally adjusted)	↓4.9%	↓7.4%
Annual change (seasonally adjusted)	↓6.3%	↓7.0%
Year-on-year change (original)	↓4.5%	↓0.8%

Quarterly results

Territory state final demand (SFD) decreased by 4.9 per cent to \$5.6 billion in the June quarter 2020, as a result of weaker household consumption and public investment, and a fall in private investment.

Investment in the Territory decreased by 7.2 per cent to \$1.0 billion, largely reflecting a 6.2 per cent decrease in private investment to \$697 million. Dwelling investment and non-dwelling investment increased by 20.4 per cent and 3.5 per cent respectively, but was more than offset by significantly weaker machinery and equipment (down by 34.8 per cent) and intellectual property products (mainly exploration) which was down by 13.3 per cent. Public investment decreased by 9.2 per cent to \$346 million (mainly state and local public corporations).

Consumption decreased by 4.3 per cent, with a 7.5 per cent decrease in household consumption and a 0.3 per cent decrease in public consumption.

The Territory reported the second smallest decline in SFD of all jurisdictions, which ranged from a decrease of 8.6 per cent in New South Wales to decrease of 2.2 per cent in the Australia Capital Territory. Nationally, domestic final demand decreased by 7.4 per cent (Chart 1).

Year-on-year results

In 2019-20, Territory SFD decreased by 4.5 per cent to \$23.4 billion, reflecting a decline in investment (down 18.6 per cent) (Chart 2). The Territory recorded the largest decline in SFD. Western Australia and the Australian Capital Territory were the only jurisdictions to record growth in 2019-20, up 1.1 per cent and 3.0 per cent respectively.

Private investment decreased by 20.4 per cent to \$3.1 billion (Chart 3), primarily a result of a 24.0 per cent decrease in business investment, in particular the non-dwelling construction component (down by 42.2 per cent).

Public investment decreased by 14.7 per cent to \$1.5 billion, with a 12.1 per cent decline in general government and a 26.2 per cent decline in public corporations investment.

Household consumption decreased by 3.3 per cent to \$10.5 billion, with expenditure on transport down 14.1 per cent, and hotels, cafes and restaurants down 13.1 per cent.

Public consumption increased by 3.9 per cent to \$8.4 billion, with an increase in national government consumption (up by 8.3 per cent), and state and local government consumption (up by 1.0 per cent).

State final demand June quarter 2020

Table 1: State final demand (\$M, original, inflation adjusted)

	June Quarter 2020		Change (%)		
	Quarter	Year to date	Quarterly ¹	Annual ²	Year-on-year ³
Northern Territory (original)					
State final demand	5 828	23 416	5.5	-6.5	-4.5
Consumption	4 718	18 817	4.2	-3.2	-0.2
– household	2 456	10 462	-2.7	-7.7	-3.3
– public	2 262	8 355	12.9	2.1	3.9
Investment	1 109	4 597	11.1	-18.3	-18.6
– private	705	3 107	4.8	-15.3	-20.4
– business investment	513	2 404	-1.2	-24.7	-24.0
– dwellings investment	163	565	35.8	35.8	-6.1
– ownership transfer costs	30	140	-11.8	-3.2	0.7
– public	404	1 490	24.3	-23.0	-14.7

Table 2: State final demand (\$M, seasonally adjusted and trend, inflation adjusted)

	June Quarter 2020		Change (%)		Contribution (ppt.)
	Quarter	Year to date	Quarterly ¹	Annual ²	Annual ⁴
Northern Territory (seasonally adjusted)					
State final demand	5 599	23 416	-4.9	-6.3	-6.3
Consumption	4 555	18 819	-4.3	-3.2	-2.5
– household	2 462	10 462	-7.5	-7.7	-3.4
– public	2 093	8 357	-0.3	2.5	0.9
Investment	1 043	4 597	-7.2	-17.7	-3.8
– private	697	3 107	-6.2	-14.7	-2.0
– business investment	496	2 403	-12.2	-24.6	-2.7
– dwellings investment	171	565	20.4	33.6	0.7
– ownership transfer costs	31	140	-13.9	0.0	0.0
– public	346	1 490	-9.2	-23.3	-1.8
Northern Territory (trend)					
– trend series suspended from the March 2020 release					

ppt: percentage points;

1 Compares the latest quarter with the previous quarter.

2 Compares the latest quarter with the same quarter last year.

3 Compares the 4 quarters up to and including the latest quarter with the previous 4 quarter period.

4 Annual percentage point contribution.

Components may not add to totals due to rounding.

Source: Department of Treasury and Finance, ABS Cat. No. 5206.0

Caution is advised when using quarterly data for the Territory, which is often derived from small samples and highly volatile.

Although all due care has been exercised in the preparation of this material, no responsibility is accepted for any errors or omission.

More information:

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