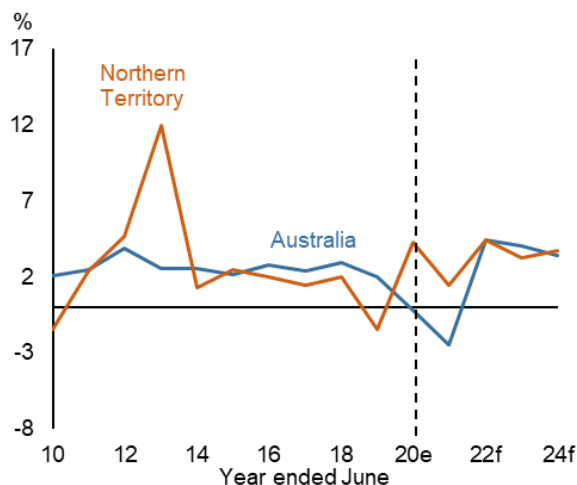
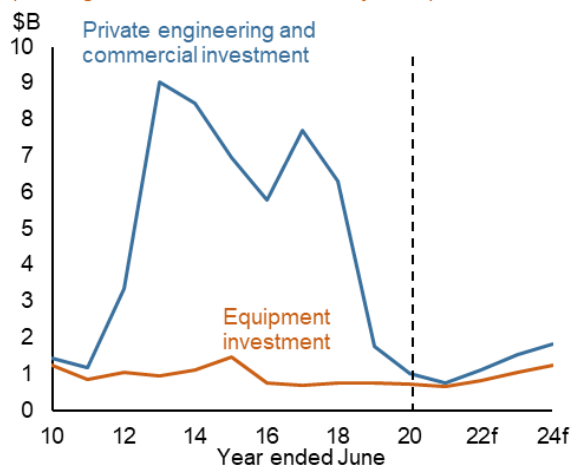


Chart 1: Economic growth
(year-on-year percentage change)



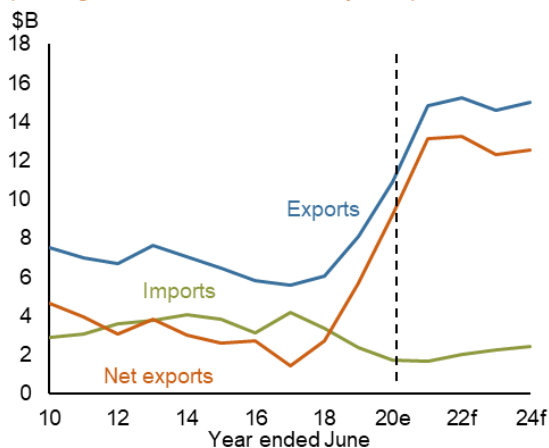
Source: Australian Bureau of Statistics; Deloitte Access Economics Business Outlook

Chart 2: Territory private investment components
(moving annual total, inflation adjusted)



Source: Australian Bureau of Statistics; Deloitte Access Economics Business Outlook

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



Source: Australian Bureau of Statistics; Deloitte Access Economics Business Outlook

Economic growth

Economic growth forecasts	NT	Aust
2019-20 (estimate)	↑4.3%	↓0.2%
2020-21 (forecast)	↑1.5%	↓2.5%
2021-22 (forecast)	↑4.5%	↑4.4%
5 year average annual growth rate (2019-20 to 2023-24)	↑3.4%	↑1.9%

2019-20

Deloitte Access Economics (DAE) estimates the Territory economy to grow by 4.3 per cent in 2019-20 (Chart 1). Growth is underpinned by international exports, which more than offsets weaker domestic demand including private investment (Chart 2).

The Territory is expected to experience the strongest gross state product growth of all the jurisdictions in 2019-20, which ranges from an estimated decrease of 1.8 per cent in South Australia to a 2.9 per cent increase in the Australian Capital Territory. Nationally, the economy declined by 0.2 per cent in 2019-20.

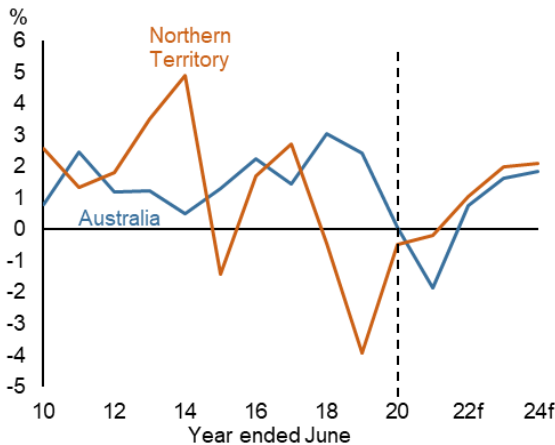
Outlook

DAE forecasts the Territory economy to grow at an average rate of 3.4 per cent per annum over the five years to 2023-24. This is the highest rate of the jurisdictions, and is largely driven by exports and supported by strengthening domestic conditions. In other jurisdictions, the five year annual average economic growth ranges from 1.3 per cent in South Australia to 3.2 per cent in the Australian Capital Territory. DAE forecasts the national economy to grow by an annual average rate of 1.9 per cent over the five year period.

DAE notes that, looking forward, exports will be a key driver of the Territory economy, but that this will have limited flow on effects to domestic demand. Territory economic growth over the five years to 2023-24 is expected to be supported by:

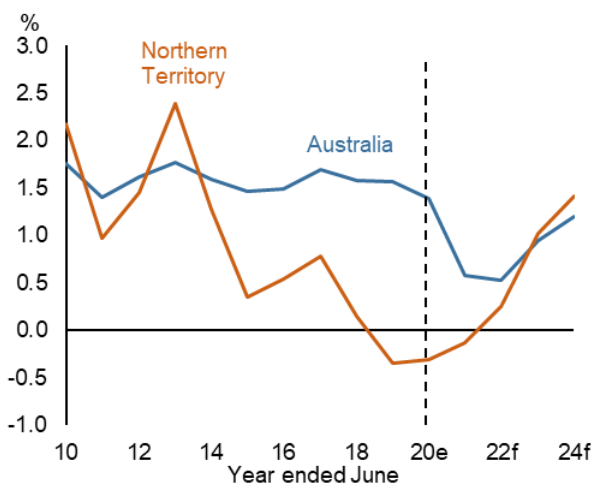
- international goods exports, increasing at an average growth rate of 14.4 per cent per annum (Chart 3)
- private engineering and commercial investment, increasing at an average growth rate of 7.3 per cent per annum
- private equipment investment, increasing at an average growth rate of 11.7 per cent per annum
- private housing investment, increasing at an average growth rate of 3.4 per cent per annum, and
- private consumption, increasing at an average growth rate of 1.0 per cent per annum.

Chart 4: Employment
(year-on-year percentage change)



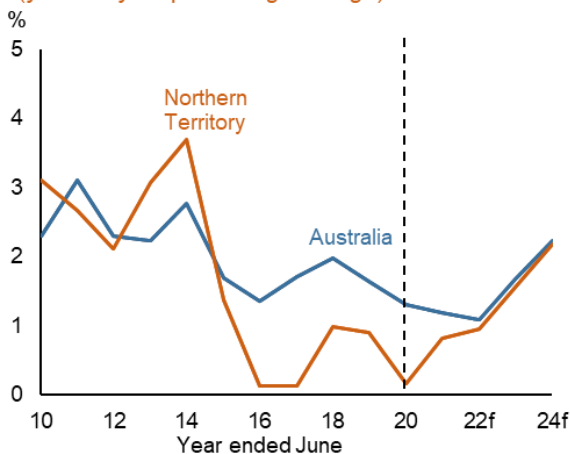
Source: Australian Bureau of Statistics and Deloitte Access Economics Business Outlook

Chart 5: Population
(year-on-year percentage change)



Source: Australian Bureau of Statistics and Deloitte Access Economics Business Outlook

Chart 6: Consumer price index
(year-on-year percentage change)



Source: Australian Bureau of Statistics and Deloitte Access Economics Business Outlook

Labour market

Employment change	NT	Aust
2019-20 (actual)	↓0.5%	↑0.1%
2020-21 (forecast)	↓0.2%	↓1.9%
5 year average annual growth rate	↑0.9%	↑0.5%

Territory employment decreased by 0.5 per cent in 2019-20 (Chart 4).

In the five years to 2023-24, employment growth in the Territory is forecast to average 0.9 per cent per annum. In other jurisdictions employment growth is forecast to range from unchanged in South Australia to an increase of 1.7 per cent per annum in the Australian Capital Territory. The national annual employment growth is forecast to average 0.5 per cent per annum over the same period.

The Territory's unemployment rate is forecast to average 7.1 per cent over the five years to 2023-24, just below the national average of 7.3 per cent. In other jurisdictions, the average annual unemployment rate over the next five years range from 4.8 per cent in the Australian Capital Territory to 7.8 per cent in South Australia.

Population

Population change	NT	Aust
2019-20 (estimate)	↓0.3%	↑1.4%
2020-21 (forecast)	↓0.1%	↑0.6%
5 year average annual growth rate	↑0.4%	↑0.9%

DAE estimates Territory population to decrease by 0.3 per cent in 2019-20 (Chart 5). Over the next five years, DAE forecasts Territory population to grow by an average rate of 0.4 per cent per annum, compared to an average of 0.9 per cent per annum nationally.

The five year average annual population growth forecast for the Territory is the second lowest of the jurisdictions. In the other jurisdictions, average annual population growth over the five years to 2023-24 range from 0.4 per cent in Tasmania to 1.2 per cent in Queensland.

Consumer price index (CPI)

CPI growth	NT	Aust
2019-20 (actual)	↑0.2%	↑1.3%
2020-21 (forecast)	↑0.8%	↑1.2%
5 year average annual growth rate	↑1.1%	↑1.5%

Darwin CPI increased by 0.2 per cent in 2019-20 (Chart 6). Over the five years to 2023-24, DAE expects growth to average 1.1 per cent per annum compared to 1.5 per cent per annum nationally.

Deloitte Access Economics September quarter 2020

Table 1: Deloitte Access Economics Business Outlook

		2019-20	2020-21	2021-22	2022-23	2023-24	5 year average
Northern Territory							
Gross state product	Constant price (\$M)	27 221	27 623	28 854	29 805	30 918	
	% change	4.3	1.5	4.5	3.3	3.7	3.4
NT as a share of Australian output	%	1.4	1.5	1.5	1.5	1.5	
Real final demand	Constant price (\$M)	23 418	23 398	25 104	26 638	27 733	
	% change	-4.5	-0.1	7.3	6.1	4.1	2.6
Private consumption	Constant price (\$M)	10 462	10 453	10 749	11 076	11 340	
	% change	-3.3	-0.1	2.8	3.0	2.4	1.0
Private housing investment	Constant price (\$M)	565	486	554	653	685	
	% change	-6.0	-14.1	14.0	18.0	4.9	3.4
Private engineering and commercial investment	Constant price (\$M)	1 004	752	1 103	1 526	1 817	
	% change	-42.3	-25.1	46.7	38.3	19.1	7.3
Private equipment investment	Constant price (\$M)	730	644	816	1 028	1 233	
	% change	-2.3	-11.8	26.7	26.1	19.9	11.7
International goods exports	Constant price (\$M)	10 929	14 830	15 272	14 590	14 997	
	% change	35.1	35.7	3.0	-4.5	2.8	14.4
International goods imports	Constant price (\$M)	1 719	1 684	2 037	2 255	2 432	
	% change	-27.5	-2.1	20.9	10.7	7.8	2.0
Retail turnover	Constant price (\$M)	3 046	3 222	3 373	3 472	3 560	
	% change	0.0	5.8	4.7	2.9	2.5	3.2
Total population	Persons (000)	245	245	246	248	252	
	% change	-0.3	-0.1	0.3	1.0	1.4	0.4
Population aged 15 and over	Persons (000)	193	193	194	197	200	
	% change	-0.1	0.1	0.5	1.3	1.8	0.7
Employment	Persons (000)	132	131	133	135	138	
	% change	-0.5	-0.2	1.1	2.0	2.1	0.9
Unemployment	Persons (000)	8	9	12	11	10	
Unemployment rate	%	5.8	6.7	8.4	7.6	6.7	7.1
Consumer Price Index	% change	0.2	0.8	1.0	1.6	2.2	1.1
Average Weekly Earnings	\$	1 418	1 454	1 469	1 479	1 503	
	% change	2.9	2.5	1.1	0.6	1.6	1.8
Wage Price Index	\$	134	136	138	139	141	
	% change	2.3	1.3	1.5	1.1	1.6	1.6

		2019-20	2020-21	2021-22	2022-23	2023-24	5 year average
Australia							
Gross domestic product	Constant price (\$M)	1 883 695	1 837 386	1 919 090	1 997 062	2 066 063	
	% change	-0.2	-2.5	4.4	4.1	3.5	1.9
International exports	Constant price (\$M)	321 713	341 041	338 685	340 159	359 402	
	% change	-0.6	6.0	-0.7	0.4	5.7	2.2
International imports	Constant price (\$M)	291 507	311 423	332 591	357 593	380 337	
	% change	-3.3	6.8	6.8	7.5	6.4	4.8
Total population	Persons (000)	25 581	25 728	25 864	26 109	26 422	
	% change	1.4	0.6	0.5	0.9	1.2	0.9
Population aged 15 to 64	Persons (000)	20 808	20 953	21 106	21 348	21 649	
	% change	1.5	0.7	0.7	1.1	1.4	1.1
Employment	Persons (000)	12 739	12 503	12 599	12 806	13 041	
	% change	0.1	-1.9	0.8	1.6	1.8	0.5
Unemployment	Persons (000)	759	1 089	1 144	1 047	948	
Unemployment rate	%	5.6	8.0	8.3	7.6	6.8	7.3
Consumer price index	% change	1.3	1.2	1.1	1.7	2.2	1.5
Average weekly earnings	\$	1 269	1 297	1 303	1 315	1 337	
	% change	3.4	2.2	0.5	0.9	1.6	1.7
Wage price index	% change	2.1	1.1	1.2	1.3	1.6	1.5
Trade weighted index	Index	58.5	61.4	62.3	63.3	63.6	61.8
Exchange rates	\$US per \$A	0.67	0.72	0.71	0.71	0.71	0.7
	Yen per \$A	72.33	80.71	84.01	83.82	83.57	80.9
	Euro per \$A	0.60	0.61	0.59	0.58	0.58	0.6
Crude Oil	(Tapis, \$US/barrel)	52.14	46.45	53.27	56.72	58.61	53.44
	% change	-26.7	-10.9	14.7	6.5	3.3	-2.6

Source: Department of Treasury and Finance; Australian Bureau of Statistics; Deloitte Access Economics Business Outlook

Deloitte Access Economics September quarter 2020

Table 2: Deloitte Access Economics Business Outlook forecasts by jurisdiction

	Year-on-year percentage change 2019-20e								
	Australia	NT	NSW	Vic	Qld	SA	WA	Tas	ACT
GDP/GSP growth	-0.2	4.3	-0.6	1.1	-0.4	-1.8	-0.8	0.4	2.9
State final demand	-0.8	-4.5	-1.8	-1.0	-0.1	-1.6	1.1	-0.1	3.0
Population growth	1.4	-0.3	1.1	1.8	1.6	0.9	1.4	1.1	1.1
Employment growth	0.1	-0.5	-0.5	0.9	0.0	-0.7	0.2	0.8	2.7
Unemployment rate	5.6	5.8	5.0	5.4	6.5	6.8	6.2	5.9	3.3
CPI	1.3	0.2	1.0	1.7	1.2	1.8	1.3	2.4	1.2
WPI	2.1	2.3	2.0	2.4	1.9	2.3	1.7	2.4	2.3
	Year-on-year percentage change 2020-21f								
GDP/GSP growth	-2.5	1.5	-2.6	-4.7	-2.3	-1.1	0.0	-1.7	0.6
State final demand	-2.3	-0.1	-2.2	-3.9	-1.6	-0.9	-1.2	-0.8	2.5
Population growth	0.6	-0.1	0.3	0.7	0.9	0.3	0.7	0.3	0.7
Employment growth	-1.9	-0.2	-1.2	-3.7	-2.5	-0.8	-0.5	-0.2	0.4
Unemployment rate	8.0	6.7	7.6	8.4	8.4	8.5	8.0	7.8	5.1
CPI	1.2	0.8	1.1	1.2	1.1	1.5	1.3	1.8	1.4
WPI	1.1	1.3	1.0	0.7	1.2	1.2	1.5	1.3	1.9
	Five year average annual growth 2019-20 to 2023-24								
GDP/GSP growth	1.9	3.4	1.6	1.9	2.1	1.3	2.2	1.6	3.2
State final demand	2.4	2.6	2.2	2.5	2.9	1.7	3.0	2.1	3.3
Population growth	0.9	0.4	0.7	1.1	1.2	0.5	1.1	0.4	1.0
Employment growth	0.5	0.9	0.2	0.5	0.7	0.0	0.8	0.6	1.7
Unemployment rate	7.3	7.1	7.0	7.4	7.7	7.8	7.1	7.3	4.8
CPI	1.5	1.1	1.5	1.6	1.4	1.6	1.4	1.7	1.5
WPI	1.5	1.6	1.4	1.5	1.6	1.3	1.6	1.4	1.8

e: estimate f: forecast

Source: Department of Treasury and Finance; Australian Bureau of Statistics; Deloitte Access Economics Business Outlook

Table 3: Deloitte Access Economics Business Outlook forecasts by jurisdiction, rank

	2019-20e								
Rank	NT	NSW	Vic	Qld	SA	WA	Tas	ACT	
GSP growth	1	6	3	5	8	7	4	2	
State final demand	8	7	5	3	6	2	4	1	
Population growth	8	5	1	2	7	3	6	4	
Employment growth	7	6	2	5	8	4	3	1	
Unemployment rate*	4	2	3	7	8	6	5	1	
CPI*	1	2	6	3	7	5	8	4	
WPI	6	3	7	2	5	1	8	4	
	2020-21f								
GSP growth	1	7	8	6	4	3	5	2	
State final demand	2	7	8	6	4	5	3	1	
Population growth	8	5	3	1	6	2	7	4	
Employment growth	3	6	8	7	5	4	2	1	
Unemployment rate*	2	3	6	7	8	5	4	1	
CPI*	1	2	4	3	7	5	8	6	
WPI	5	2	1	4	3	7	6	8	
	Five year average annual growth 2019-20 to 2023-24								
GSP growth	1	7	5	4	8	3	6	2	
State final demand	4	6	5	3	8	2	7	1	
Population growth	7	5	2	1	6	3	8	4	
Employment growth	2	7	6	4	8	3	5	1	
Unemployment rate*	3	2	6	7	8	4	5	1	
CPI*	1	4	6	3	7	2	8	5	
WPI	6	2	4	7	1	5	3	8	

e: estimate f: forecast

Highest = 1 Low est = 8

*Ranking reversed

Source: Department of Treasury and Finance; Australian Bureau of Statistics; Deloitte Access Economics Business Outlook

Caution is advised when using 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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