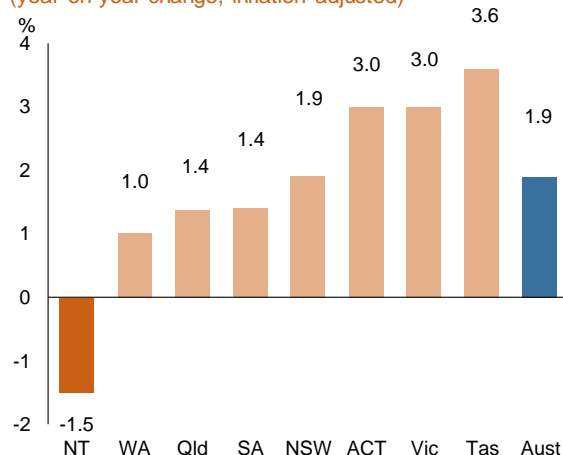


Gross state product

2018-19

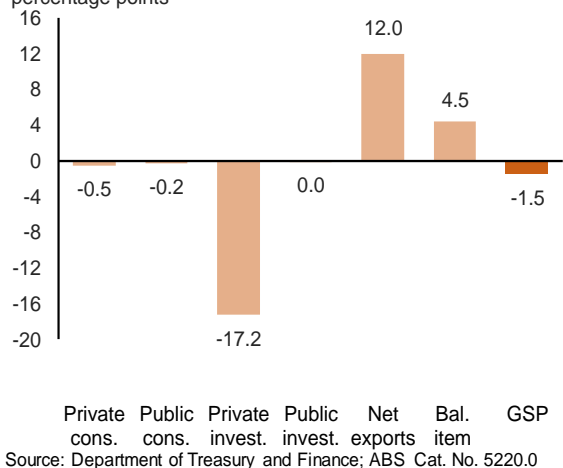
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Chart 1: 2018-19 Gross state product (year-on-year change, inflation adjusted)



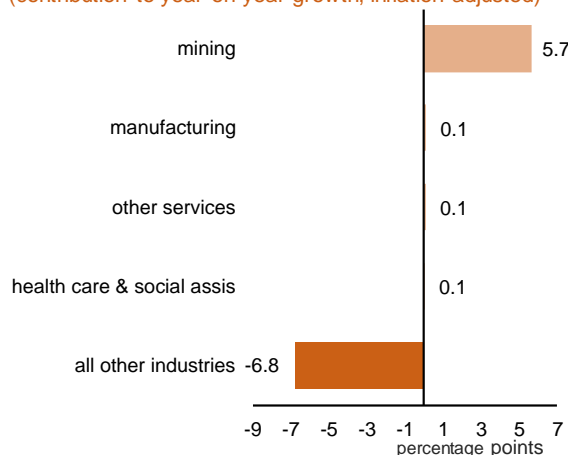
Source: Department of Treasury and Finance; ABS Cat. No. 5220.0

Chart 2: 2018-19 GSP(E) major components (contribution to year-on-year growth, inflation adjusted) percentage points



Source: Department of Treasury and Finance; ABS Cat. No. 5220.0

Chart 3: 2018-19 GSP(P) by Industry (contribution to year-on-year growth, inflation adjusted)



Source: Department of Treasury and Finance; ABS Cat. No. 5220.0

Gross state product	NT	Aust
Value	\$26.1B	\$1 885.0B
Year-on-year change	↓1.5%	↑1.9%

In 2018-19, the Territory's gross state product (GSP) decreased by 1.5 per cent, to \$26.1 billion. This was the lowest change of all jurisdictions, followed by Western Australia (up 1.0 per cent) (Chart 1).

Gross state product (expenditure)

In terms of expenditure, the GSP decrease of 1.5 per cent in 2018-19 was primarily driven by decreases in household and public consumption and investment (Chart 2).

Private investment decreased by 53.5 per cent to \$4.0 billion. This primarily reflects a 58.2 per cent decrease in business investment, in particular for construction (down 71.1 per cent to \$1.8 billion). This decrease in investment is associated with the completion of the construction phase of the Ichthys liquefied natural gas (LNG) project. Public investment decreased by 0.4 per cent to \$1.7 billion.

Consumption expenditure decreased by 1.0 per cent, mainly reflecting a 1.1 per cent decrease in private consumption and a 0.8 per cent decrease in public consumption.

The decline in private consumption was driven by decreases in hotels, cafes and restaurants (down 5.6 per cent) and recreation and culture (down 3.3 per cent).

Net exports of goods and services increased by 117.9 per cent to \$5.9 billion, mainly reflecting an increase in goods exports (up 33.2 per cent) and a decline in goods imports (down 29.8 per cent). Net services (up \$155 million) also added to net exports of goods and services.

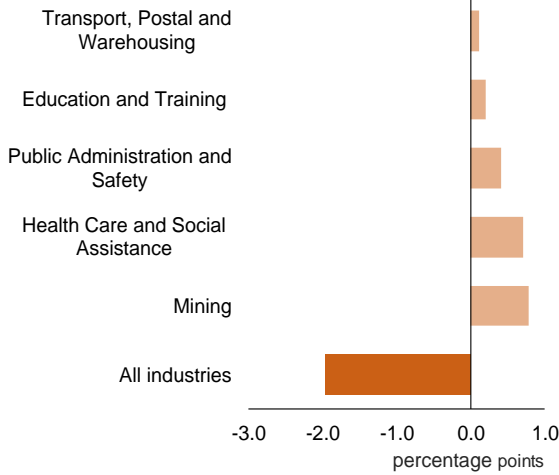
Gross state product (production)

In 2018-19, the major industry contributors to economic growth in gross value added terms in the Territory were (Chart 3):

- mining (adding 5.7 percentage points to growth)
- manufacturing (adding 0.1 percentage points to growth); and
- health care and social assistance (adding 0.1 percentage points).

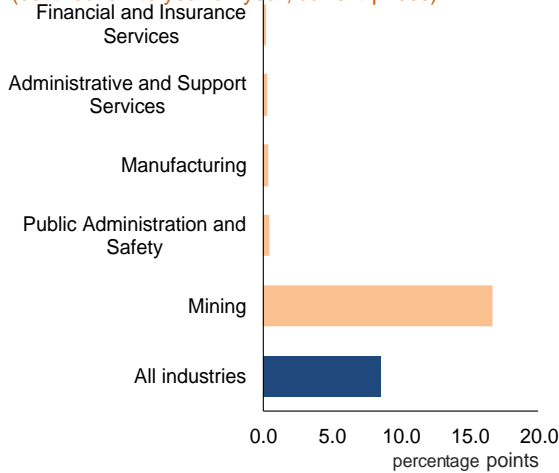
The main industries that detracted from Territory economic growth in 2018-19 were construction (detracting 5.3 percentage points) and accommodation and food services (detracting 0.4 percentage points).

Chart 4: 2018-19 Industry compensation of employees (contribution to year-on-year, current prices)



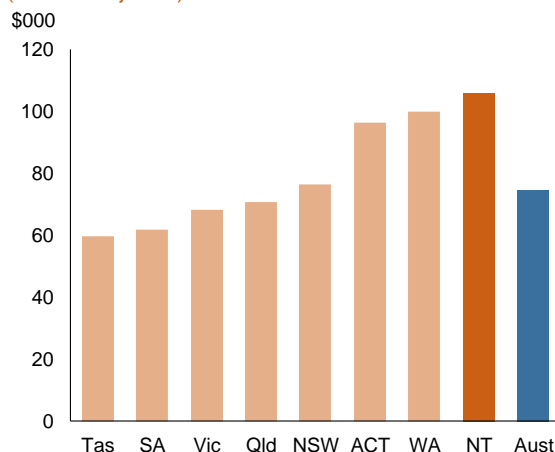
Source: Department of Treasury and Finance; ABS Cat. No. 5220.0

Chart 5: 2018-19 Industry Gross Operating Surplus (contribution to year on year, current prices)



Source: Department of Treasury and Finance; ABS Cat. No. 5220.0

Chart 6: 2018-19 real GSP per capita (inflation adjusted)



Source: Department of Treasury and Finance; ABS Cat. No. 5220.0

Compensation of employees

On the income side, in current price terms, total compensation of employees (CoE) (wages and salaries excluding taxes and employer social contributions) in the Territory decreased by 2.0 per cent in 2018-19. National CoE increased by 4.5 per cent over the same period.

The major drivers of Territory CoE in 2018-19 were mining (adding 0.8 percentage points), health care and social assistance (adding 0.7 percentage points) and public administration and safety (adding 0.4 percentage points (Chart 4). The main detractors from the CoE was construction (detracting 4.0 percentage points)

The 2018-19 result reflects a lower number of employed people across most sectors.

Gross operating surplus

Territory gross operating surplus (GoS) is combined with gross mixed income and reflects the surplus accruing from production of corporations, unincorporated enterprises and dwellings owned by persons.

Territory GoS in current price terms, increased by 8.5 per cent in 2018-19. National GoS increased by 6.3 per cent over the same period.

The main contributors to the Territory GoS were mining (up 91.4 per cent) and administration and support services (up 49.4 per cent). Construction (down 32.4 per cent) was the main industry offsetting the increase in the year (Chart 5).

Real GSP per capita

In 2018-19 the Territory's real GSP per capita decreased by 1.1 per cent to \$106 196, despite the decrease the Territory recorded the highest level overall of all jurisdictions (Chart 6). The change in real GSP per capita in other jurisdictions ranged from a decrease of 0.4 per cent in Queensland to a 2.3 per cent increase in Tasmania. Nationally, real GSP per capita increased by 0.3 per cent to \$74 873.

Gross household income per capita

GSP per capita does not provide a complete measure of income received by Territory residents. For example, some income generated in the production process may be transferred out of the Territory (or conversely, income may be received from outside the jurisdictional borders of the Territory). As such, gross household income per capita is therefore the preferred measure of households' economic wellbeing.

In 2018-19, Territory gross household income per capita (in current price terms) increased by 2.4 per cent to \$63 634, the second highest behind the Australian Capital Territory. Nationally, gross household income per capita increased by 1.5 per cent to \$49 098.

Gross state product 2018-19

Definitions

- Gross state product (GSP) is calculated using three different measures: expenditure (GSP (E)), production (GSP (P)) and income (GSP (I)). The headline figure reported for GSP is an average of these three measures.
- GSP (E) is a measure based on state final demand (a combination of consumption and investment) as well as net exports.
- GSP (P) is a measure of the level of production of each industry, as well as the contribution of 'ownership of dwellings' and taxes less subsidies.
- GSP (I) is a measure based on the level of compensation of employees (wages and salaries, plus employers' social contributions) and gross operating surplus and gross mixed income (revenues generated by the business sector, after compensation of employees has been deducted).
- GSP is also measured in both chain volume and current price terms.
- Current price terms mean that estimates are valued at the prices of the period to which the observation relates. Therefore, estimates for 2015-16 in current price terms will be the value in 2015-16.
- Chain volume terms are when an adjustment has been made to account for fluctuations in prices (inflation adjusted), in order to give a measure of changes to volumes, rather than value.

Table 1: Gross state product, expenditure measure (\$M, inflation adjusted)

	2017-18	2018-19	Change		
			\$M	%	% point cont.
Northern Territory					
Gross State Product	26 501	26 109	-392	-1.5%	-1.5 ppt
Consumption	19 164	18 973	- 191	-1.0%	-0.7 ppt
– private	11 100	10 973	- 127	-1.1%	-0.5 ppt
– public	8 064	8 000	- 64	-0.8%	-0.2 ppt
Investment	10 183	5 619	- 4 564	-44.8%	-17.2 ppt
– private investment	8 521	3 964	- 4 557	-53.5%	-17.2 ppt
– business investment	7 736	3 236	- 4 500	-58.2%	-17.0 ppt
– construction	6 296	1 818	- 4 478	-71.1%	-16.9 ppt
– machinery and equip.	752	740	- 12	-1.6%	0.0 ppt
– cultivated biological res.	167	124	- 43	-25.7%	-0.2 ppt
– intellectual prop. prod.	521	554	33	6.3%	0.1 ppt
– dwellings	621	590	- 31	-5.0%	-0.1 ppt
– ownership trans. costs	163	138	- 25	-15.3%	-0.1 ppt
– public investment	1 662	1 655	- 7	-0.4%	0.0 ppt
State final demand	29 347	24 592	- 4 755	-16.2%	-17.9 ppt
Net goods	2 700	5 720	3 020	111.9%	11.4 ppt
– exports	6 076	8 091	2 015	33.2%	7.6 ppt
– imports	3 376	2 371	- 1 005	-29.8%	3.8 ppt
Net services	- 7	148	155	2214.3%	0.6 ppt
– exports	727	733	6	0.8%	0.0 ppt
– imports	734	585	- 149	-20.3%	0.6 ppt
Net exports of goods and services	2 693	5 868	3 175	117.9%	12.0 ppt
Balancing item	- 3 009	- 1 930	1 079	-35.9%	4.1 ppt
Statistical discrepancy	- 2 529	- 2 421	108	n.a.	0.4 ppt

Source: Department of Treasury and Finance; ABS. Cat. No. 5220.0

Gross state product 2018-19

Table 2: Gross state product, production measure (\$M, inflation adjusted)

	2017-18	2018-19	Change		
			\$M	%	% point cont.
Northern Territory					
Gross state product	26 501	26 109	-392	-1.5%	-1.5 ppt
agr, forestry & fisheries	707	700	- 7	-1.0%	0.0 ppt
mining	3 231	4 729	1 498	46.4%	5.7 ppt
manufacturing	909	946	37	4.1%	0.1 ppt
electricity, gas & water	446	432	- 14	-3.1%	-0.1 ppt
construction	3 029	1 618	- 1 411	-46.6%	-5.3 ppt
wholesale trade	529	524	- 5	-0.9%	0.0 ppt
retail trade	706	691	- 15	-2.1%	-0.1 ppt
accom. & food services	638	542	- 96	-15.0%	-0.4 ppt
transport, postal & ware.	906	819	- 87	-9.6%	-0.3 ppt
information media & telecom.	122	123	1	0.8%	0.0 ppt
financial & insurance services	639	616	- 23	-3.6%	-0.1 ppt
rental, hiring & real est. serv.	384	359	- 25	-6.5%	-0.1 ppt
pro., scientific & tech. serv.	1 192	1 155	- 37	-3.1%	-0.1 ppt
admin. & support serv.	438	434	- 4	-0.9%	0.0 ppt
public administration & safe.	3 265	3 262	- 3	-0.1%	0.0 ppt
education & training	1 226	1 235	9	0.7%	0.0 ppt
health care & social assist.	1 702	1 720	18	1.1%	0.1 ppt
arts & recreational services	316	312	- 4	-1.3%	0.0 ppt
other services	438	472	34	7.8%	0.1 ppt
ownership of dwellings	2 168	2 099	- 69	-3.2%	-0.3 ppt
taxes less sub	981	958	- 23	-2.3%	-0.1 ppt
statistical discrepancy	2 529	2 366	- 163	n.a.	-0.6 ppt

Source: Department of Treasury and Finance; ABS. Cat. No. 5220.0

Gross state product 2018-19

Table 3: Gross state product, income measure (\$M, current prices)

	CoE ¹		GOS ²		TFI ³	
	2018-19	Change	2018-19	Change	2018-19	Change
Northern Territory						
Gross state product	11 683	-2.0%	16 951	8.5%	28 634	4.0%
agr, forestry & fisheries	140	-4.8%	532	0.8%	671	-0.7%
mining	1 141	9.0%	5 454	91.4%	6 595	69.3%
manufacturing	788	-0.3%	495	14.6%	1 283	4.9%
electricity, gas & water	82	2.5%	514	2.2%	595	2.1%
construction	1 743	-21.3%	2 748	-32.4%	4 491	-28.5%
wholesale trade	253	2.0%	206	-0.5%	458	0.4%
retail trade	471	1.9%	298	-6.3%	770	-1.3%
accom. & food services	53	-3.6%	197	-7.1%	251	-6.0%
transport, postal & ware.	683	1.9%	912	-2.1%	1 596	-0.4%
information media & telecom.	110	4.8%	166	-8.3%	275	-3.8%
financial & insurance services	130	-9.7%	573	5.3%	703	2.2%
rental, hiring & real est. serv.	472	-3.9%	1 047	-2.1%	1 519	-2.6%
pro., scientific & tech. serv.	735	1.1%	377	1.9%	1 112	1.4%
admin. & support serv.	503	-3.5%	121	49.4%	623	3.7%
public administration & safe.	1 861	2.7%	506	14.7%	2 367	5.1%
education & training	734	3.4%	152	1.3%	886	3.0%
health care & social assist.	1 502	5.9%	219	2.3%	1 721	5.5%
arts & recreational services	192	3.8%	80	-13.0%	273	-1.4%
other services	90	0.0%	137	16.1%	228	9.6%
ownership of dwellings	n.a.		2 218	-4.1%	2 218	-4.1%

¹ Compensation of employees

² Gross operation surplus and gross mixed income

³ Total factor income

Source: Department of Treasury and Finance; ABS. Cat. No. 5220.0

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.

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