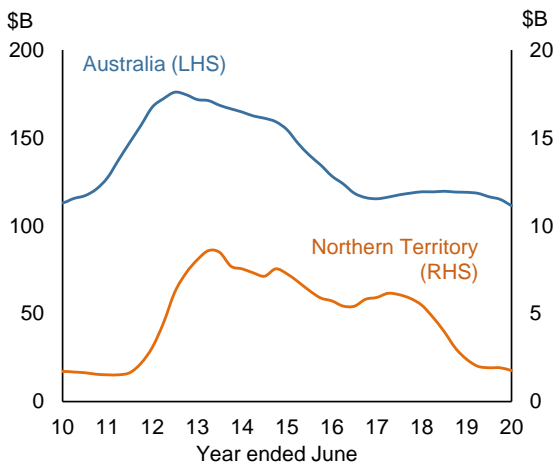


Private new capital expenditure

June quarter 2020

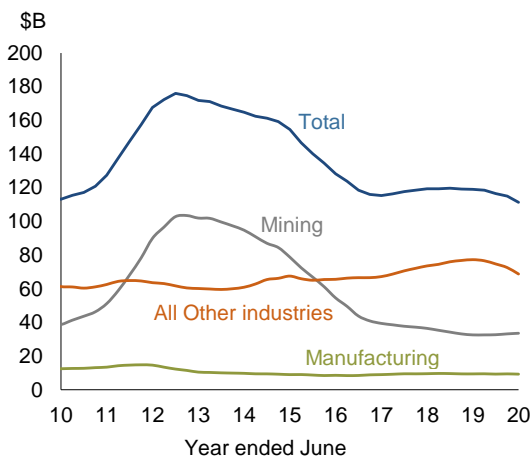
Released: 27 August 2020 | Next release: 26 November 2020

Chart 1: Private new capital expenditure (moving annual total, original, inflation adjusted)



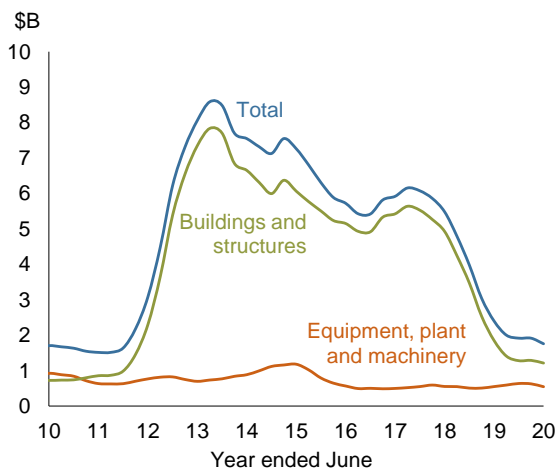
Source: ABS Cat. No.5625.0

Chart 2: New capital expenditure by industry, Australia (moving annual total, original)



Source: ABS Cat. No.5625.0

Chart 3: Territory new capital expenditure (moving annual total, original, inflation adjusted)



Source: ABS Cat. No.5625.0

Private new capital expenditure

Private new capital expenditure	NT	Aust
Change in quarter (seasonally adjusted)	↓23.2%	↓5.9%
Year-on-year change (original)	↓26.8%	↓6.5%

Private new capital expenditure in the Territory decreased by 23.2 per cent to \$351 million in the June quarter 2020 in seasonally adjusted terms. The decrease reflects a 41.2 per cent decrease in expenditure on equipment, plant and machinery and a 14.7 per cent decrease in expenditure on buildings and structures.

The Territory reported the largest decline in private new capital expenditure of the jurisdictions in the quarter. Except for the Australian Capital Territory and South Australia (up by 23.4 and 4.8 per cent respectively), all jurisdictions reported declines, ranging from 17.1 per cent in Tasmania to 0.6 per cent in Western Australia. Nationally, seasonally adjusted capital expenditure decreased by 5.9 per cent.

In 2019-20, private new capital expenditure in the Territory decreased by 26.8 per cent to \$1.8 billion (Chart 1). The Territory recorded the largest decline of the jurisdictions, with Western Australia experiencing the only increase (up by 4.8 per cent).

Nationally, private new capital expenditure decreased by 6.5 per cent to \$111 billion in year-on-year terms. On an industry basis, all other industries was the main contributor to the decrease in national private new capital expenditure, down by 11.0 per cent to \$68.7 billion (Chart 2).

Buildings and structures

In the June quarter 2020, the seasonally adjusted value of private new capital expenditure on buildings and structures in the Territory decreased by 14.7 per cent to \$273 million.

In 2019-20, capital expenditure on buildings and structures in the Territory decreased by 34.4 per cent to \$1.2 billion.

Equipment, plant and machinery

In the June quarter 2020, the seasonally adjusted value of capital expenditure on equipment, plant and machinery in the Territory decreased by 41.2 per cent to \$80 million.

In 2019-20, capital expenditure on equipment, plant and machinery in the Territory decreased by 0.7 per cent to \$545 million (Chart 3), below the 10-year annual average level of \$687 million.

Private new capital expenditure June quarter 2020

Table 1: Private new capital expenditure (inflation adjusted)

	June 2020		Change		
	Quarter	Year to date	Quarterly ¹	Annual ²	Year-on-year ³
Northern Territory					
Value (\$M)					
Original	370	1 755	-14.7%	-29.8%	-26.8%
– buildings and structures	273	1 211	-14.7%	-21.8%	-34.4%
– equipment, plant and machinery	97	545	-14.9%	-45.5%	-0.7%
Seasonally adjusted	351	1 755	-23.2%	-29.5%	
– buildings and structures	273	1 211	-14.7%	-21.8%	
– equipment, plant and machinery	80	545	-41.2%	-46.3%	
Trend					
– trend series suspended from the March 2020 release					
Australia					
Value (\$M)					
Original	27 925	111 376	15.0%	-11.5%	-6.5%
– buildings and structures	14 472	59 126	10.2%	-9.4%	-6.9%
– equipment, plant and machinery	13 453	52 250	20.6%	-13.7%	-5.9%
Seasonally adjusted	26 130	111 376	-5.9%	-11.5%	
– buildings and structures	14 011	59 125	-4.4%	-9.4%	
– equipment, plant and machinery	12 119	52 250	-7.6%	-13.8%	
Trend					
– trend series suspended from the March 2020 release					

1 Compares the latest quarter with the previous quarter.

2 Compares the latest quarter with the same quarter in the previous year.

3 Compares the year up to and including the latest quarter with the previous year.

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

Source: Department of Treasury and Finance; ABS Cat. No. 5625.0

The private new capital expenditure release is a measure of estimated capital expenditure by private businesses in selected industries. Due to the relatively small size of the Northern Territory economy, large investment projects can have a substantial impact on private new capital expenditure levels. Data is available for the Territory by asset type ('buildings and structures', and 'machinery, plant and equipment'). The ABS only reports data by industry at the national level and jurisdictional level except for the Territory and the Australian Capital Territory.

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:

Economic Group | Department of Treasury and Finance

P: 08 8999 6801 | E: economics.dtf@nt.gov.au | W: <https://nteconomy.nt.gov.au/>