# **Engineering construction activity**

#### September quarter 2024 | Economic brief

## Engineering construction work done (trend)

| Value of engineering work done | NT            | Aust          |
|--------------------------------|---------------|---------------|
| Quarterly change (trend)       | <b>1</b> 2.2% | <b>1</b> .1%  |
| Year-ended change (trend)      | <b>1</b> 4.0% | <b>1</b> 4.3% |

The trend value of engineering construction work done in the Territory increased by 2.2% to \$595 million in the September quarter 2024 (Chart 1). Nationally, the trend value of engineering construction work done increased by 1.1% to \$34.5 billion.

The trend value of engineering construction work done in the Territory increased by 4.0% over the year to September quarter 2024. This reflects public sector activity increasing by 14.5% mainly due to works for water storage and supply, sewerage and drainage, and private sector activity increasing by 15.6% mainly due to works for bridges, railways and harbours.

The Territory recorded the fourth strongest result of the jurisdictions, which otherwise ranged from a decrease of 18.9% in the Australian Capital Territory to an increase of 17.1% in Western Australia (Chart 2). Nationally, the trend value of engineering construction work done increased by 4.3%.

### Engineering work commenced (original)

The value of Territory engineering construction work commenced decreased by 31.2% to \$316 million over the year to September quarter 2024.

Private sector activity commenced was \$233 million and largely related to works for heavy industry, while public sector work commenced was \$83 million and largely related to roads, highways and subdivisions.

Nationally, the value of engineering work commenced increased by 9.4% to \$32.9 billion over the year to September quarter 2024.

Chart 1: Engineering work done (quarterly, trend, inflation adjusted)



Source: Department of Treasury and Finance, ABS Cat. No. 8762.0





ACT NSW SA Tas NT Vic Qld WA Aust Source: Department of Treasury and Finance, ABS Cat. No. 8762.0



|   | Period     |            |            | Change       |                        |                         |                           |
|---|------------|------------|------------|--------------|------------------------|-------------------------|---------------------------|
|   | Sep qtr 23 | Jun qtr 24 | Sep qtr 24 | Year to date | Quarterly <sup>2</sup> | Year-ended <sup>3</sup> | Year-average <sup>4</sup> |
| Northern Territory                      |            |            |            |              |                        |                         |                           |
| Original                                | 544        | 608        | 607        | 2 357        | n.p.                   | 11.6%                   | 3.6%                      |
| – public¹                               | 199        | 218        | 228        | 752          | n.p.                   | 14.5%                   | 8.8%                      |
| <ul> <li>private<sup>1</sup></li> </ul> | 358        | 425        | 414        | 1 714        | n.p.                   | 15.6%                   | 6.7%                      |
| Seasonally adjusted                     | 544        | 608        | 607        | 2 357        | -0.2%                  | 11.6%                   |                           |
| Trend                                   | 572        | 582        | 595        | 2 322        | 2.2%                   | 4.0%                    |                           |
| Australia                               |            |            |            |              |                        |                         |                           |
| Original                                | 32 237     | 35 976     | 34 370     | 136 248      | n.p.                   | 6.6%                    | 8.8%                      |
| – public                                | 14 154     | 17 633     | 16 026     | 63 364       | n.p.                   | 13.2%                   | 13.3%                     |
| – private                               | 18 083     | 18 343     | 18 344     | 72 884       | n.p.                   | 1.4%                    | 5.2%                      |
| Seasonally adjusted                     | 32 721     | 33 822     | 34 952     | 136 346      | 3.3%                   | 6.8%                    |                           |
| Trend                                   | 33 071     | 34 109     | 34 488     | 135 879      | 1.1%                   | 4.3%                    |                           |

#### Table 1: Engineering construction work done (\$M, chain volume)

Table 2: Engineering work commenced (\$M, original, current prices)

|                    | Period     |            |            |              | <br>Change             |                         |                           |
|--------------------|------------|------------|------------|--------------|------------------------|-------------------------|---------------------------|
|                    | Sep qtr 23 | Jun qtr 24 | Sep qtr 24 | Year to date | Quarterly <sup>2</sup> | Year-ended <sup>3</sup> | Year-average <sup>4</sup> |
| Northern Territory | 459        | 547        | 316        | 1 428        | n.p.                   | -31.2%                  | -13.7%                    |
| – public           | 141        | 210        | 83         | 389          | n.p.                   | -41.2%                  | -39.4%                    |
| – private          | 318        | 337        | 233        | 1 039        | n.p.                   | -26.7%                  | 2.6%                      |
| Australia          | 30 092     | 29 002     | 32 936     | 116 497      | n.p.                   | 9.4%                    | -4.9%                     |
| – public           | 12 394     | 11 730     | 15 152     | 54 215       | n.p.                   | 22.3%                   | 1.4%                      |
| – private          | 17 698     | 17 272     | 17 783     | 62 281       | n.p.                   | 0.5%                    | -9.7%                     |

n.p.: data not published

1 Current prices.

2 Compares the latest quarter with the previous quarter.

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

4 Compares the 4 quarters up to and including the latest quarter with the previous 4 quarter period. Source: Department of Treasury and Finance, ABS Cat. No. 8762.0

| Term   | Definition  |
|--|---|
| Engineering construction                     | Any construction that does not have a roof.   |
| Heavy industry                               | Includes construction of production, storage and distribution facilities; refineries; pumping stations; construction of mines; drilling wells; chemical plants; blast furnaces; steel mills; other industrial processing plants; ovens.   |
| Roads, highways and subdivisions             | Includes parking areas; foot and cycle paths; airport runways; pedestrian and vehicle overpasses; traffic lights; roundabouts; associated road drainage works; street and highway lighting; road resurfacing, kerbing and guttering, road tunnels.  |
| Bridges, railways and harbours               | Includes those for the support of roads, railways, causeways and elevated highways when spanning a geographical obstacle eg river, lake, valley etc; tracklaying; overhead power lines and signals; platforms; tramways; tunnels for underground railways; fuel hoppers; boat and yacht basins; breakwaters; retaining walls; docks and piers; terminals; wharves; dredging works; marinas. |
| Public sector                                | Public sector includes Commonwealth Departments and Authorities, State Departments and Authorities, Local Government Authorities, Water, Sewerage and Electricity Authorities and government owned businesses and Statutory Authorities.  |
| Private sector                               | All remaining organisations not classified as public sector.  |
| Current prices                               | The value in nominal terms, not adjusted for inflation or changes in the purchasing power of money. It is the market value for the good or service at the time it was being sold.   |
| Chain<br>volume/Inflation<br>adjusted prices | A measure of growth that captures the change in quantity while removing the effects of price changes.   |
| Year-ended change                            | Compares the latest quarter with the same quarter last year   |
| Year-average change                          | Compares the 12 months up to and including the latest quarter with the previous 12 month period   |
| Seasonally adjusted                          | A seasonally adjusted series involves estimating and removing the cyclical and seasonal effects from the original data. Seasonally adjusting a time series is useful if you wish to understand the underlying patterns of change or movement in a population, without the impact of the seasonal or cyclical effects.   |
| Trend  | A trend series is a seasonally adjusted series that has been further adjusted to remove irregular effects and 'smooth' out the series to show the overall 'trend' of the data over time.  |

Caution is advised when using data for the Territory, as it is often derived from small samples and can be highly volatile. Although all due care has been exercised in preparing this material, no responsibility is accepted for any errors or omission.

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#### More information

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