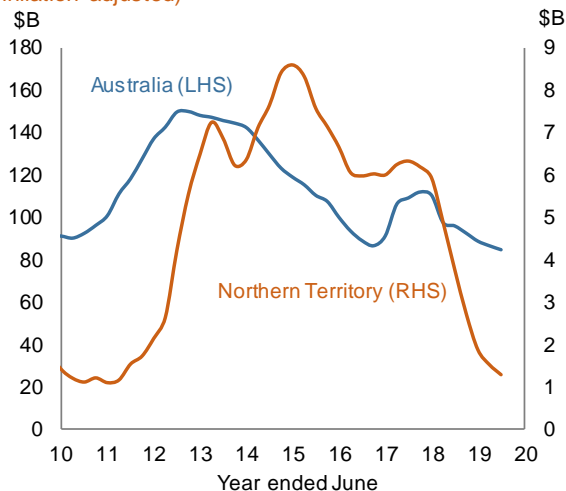


Engineering construction activity

December quarter 2019

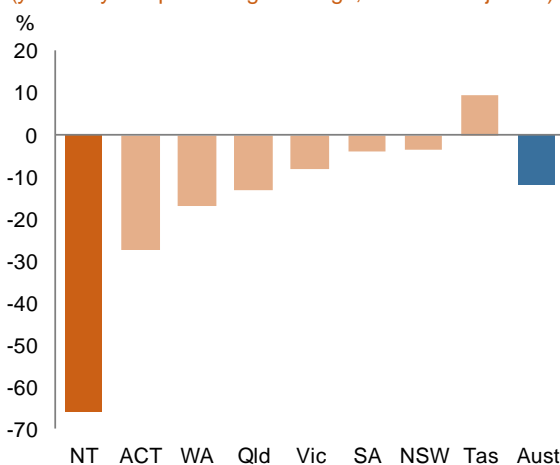
Released: 25 March 2020 | Next release: 1 July 2020

Chart 1: Engineering work done (moving annual total, inflation adjusted)



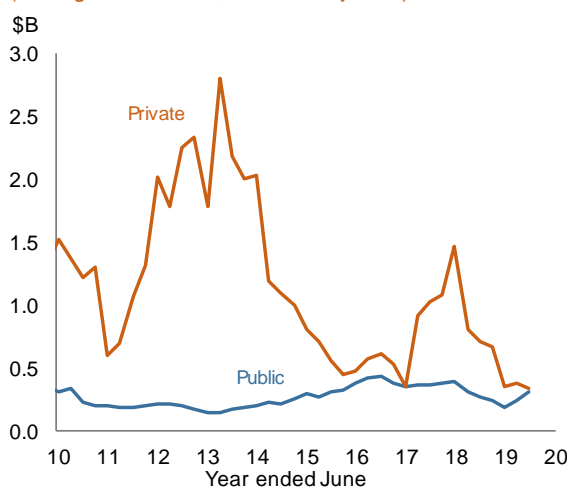
Source: Department of Treasury and Finance, ABS Cat. No. 8762.0

Chart 2: Engineering work done (year-on-year percentage change, inflation adjusted)



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

Chart 3: Engineering work commenced (moving annual total, inflation adjusted)



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

Engineering construction work done

Value of engineering work done	NT	Aust
Quarterly change (trend)	↓2.8%	↓0.5%
Annual change (trend)	↓42.0%	↓6.7%
Year-on-year change (original)	↓66.0%	↓11.8%

In the December quarter 2019, the trend value of engineering construction work done in the Territory decreased by 2.8 per cent to \$289 million.

In the year to December 2019, total engineering construction work done in the Territory declined by 66.0 per cent to \$1.3 billion (Chart 1), below the 10-year average of \$4.7 billion. The decline in work done was driven by falls in private sector work done (down 71.7 per cent), partially offset by increases in the public sector (up 6.1 per cent).

The main driver for the year-on-year increase in public sector work done was roads, highways and subdivisions (adding 22.2 percentage points). The decrease in private sector work done over the same period was driven by a fall in heavy industry (detracting 62.6 percentage points).

The value of engineering construction work done declined across all jurisdictions apart from Tasmania, with the Territory recording the largest year-on-year decline (Chart 2). Year-on-year changes ranged from a decline of 27.2 per cent in the Australian Capital Territory to an increase of 9.5 per cent in Tasmania. Nationally, the value of engineering construction work decreased by 11.8 per cent to \$84.5 billion in the year to December 2019.

Engineering work commenced

In the December quarter 2019, the value of total engineering construction work commenced increased by 2.8 per cent to \$214 million, which was driven by an increase in the public sector (up 31.6 per cent to \$128 million), partially offset by a decrease in the private sector (down 22.4 per cent to \$86 million).

In the year to December 2019, the value of engineering work commenced decreased by 33.8 per cent to \$652 million, below the 10-year average of \$1.4 billion. Public sector work commenced increased by 15.8 per cent to \$311 million, above the 10-year average of \$269 million, which was mainly driven by bridges, railways and harbours (adding 18.2 percentage points). Work commenced by the private sector fell by 52.4 per cent to \$341 million in the year to December 2019, primarily driven by heavy industry (detracting 29.6 percentage points) (Chart 3).

Nationally, the value of engineering work commenced declined by 17.5 per cent to \$81.0 billion in the year to December 2019.

Engineering construction activity December quarter 2019

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

	December quarter 2019		Change		
	Quarter	Year to date	Quarterly ²	Annual ³	Year-on-year ⁴
Northern Territory					
Original	288	1 266	-7.0%	-44.5%	-66.0%
– public ¹	100	283	51.0%	12.4%	6.1%
– private ¹	186	984	-23.6%	-57.0%	-71.7%
Seasonally adjusted	288	1 266	-7.0%	-44.5%	
Trend	289	1 273	-2.8%	-42.0%	
Australia					
Original	21 298	84 495	3.0%	-8.1%	-11.8%
– public	8 509	33 948	6.2%	0.3%	-11.8%
– private	12 788	50 547	0.9%	-12.9%	-11.7%
Seasonally adjusted	20 849	84 642	-1.5%	-7.9%	
Trend	20 946	84 885	-0.5%	-6.7%	

Table 2- Engineering work commenced (\$M, original, chain volume)

	December quarter 2019		Change		
	quarter	year to date	Quarterly ²	Annual ³	Year-on-year ⁴
Northern Territory					
Original	214	652	2.8%	16.1%	-33.8%
– public ¹	128	311	31.6%	107.4%	15.8%
– private ¹	86	341	-22.4%	-29.7%	-52.4%
Australia					
Original	15 505	81 048	-20.2%	-24.3%	-17.5%
– public ¹	7 047	34 631	-37.9%	-0.3%	-7.1%
– private ¹	8 458	46 416	4.5%	-36.9%	-23.9%

n.p.: data not published

1 Chain volume equivalent Department of Treasury and Finance estimates.

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, 8782.0.65.001

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/>