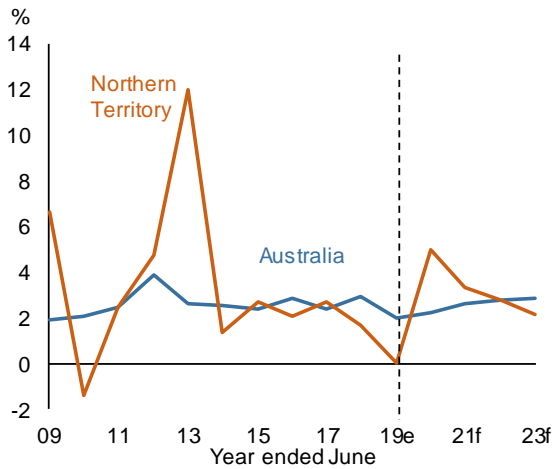
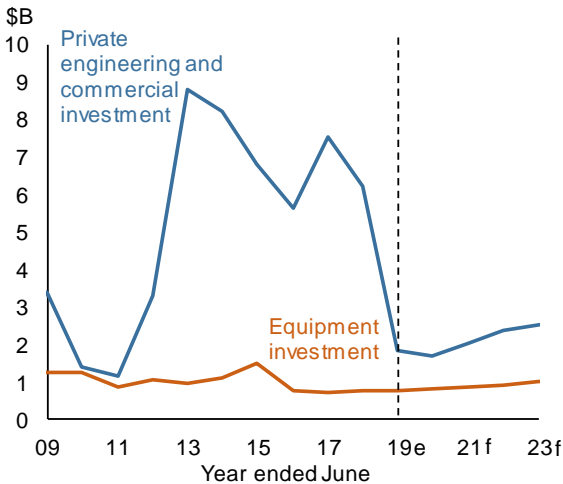


Chart 1: Economic growth
(year-on-year percentage change)



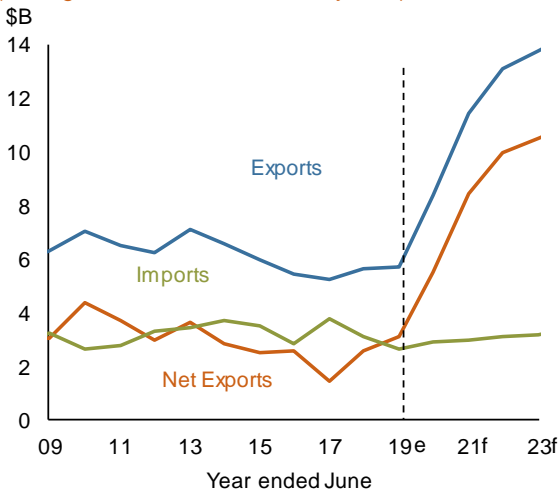
Source: Australian Bureau of Statistics; Deloitte Access Economics Business Outlook

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
2018-19 (estimate)	flat	↑2.0%
2019-20 (forecast)	↑5.0%	↑2.2%
2020-21 (forecast)	↑3.4%	↑2.6%
5 year average annual growth rate (2018-19 to 2022-23)	↑2.7%	↑2.5%

2018-19

Deloitte Access Economics (DAE) estimates the Territory economy to be unchanged in 2018-19 (Chart 1). Growth is expected to be underpinned by international goods exports and a decline in international goods imports, partly offset by decreases in private engineering and commercial investment, private housing investment and private consumption (Chart 2).

The Territory is expected to experience the lowest result in gross state product of all the jurisdictions in 2018-19, which range from an estimated increase of 1.5 per cent in South Australia to 2.2 per cent in Victoria, New South Wales and Australian Capital Territory. Nationally, the economy is expected to grow by 2.0 per cent in 2018-19.

Outlook

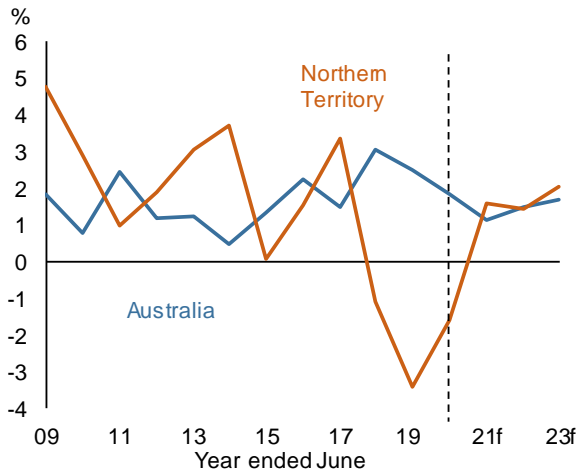
DAE forecasts the Territory economy to grow by an average of 2.7 per cent per annum over the five years to 2022-23. This is the second highest forecast five year average economic growth of the jurisdictions, equal with Victoria, and is largely driven by exports. In other jurisdictions, the five year annual average economic growth ranges from 1.7 per cent per annum in South Australia to 2.9 per cent per annum in Queensland. DAE forecasts the national economy to grow by an annual average rate of 2.5 per cent over the five year period.

DAE notes that exports are expected to be a key driver of the Territory economy, however will have less flow on effects to domestic demand.

Territory economic growth over the five years to 2022-23 is expected to be supported by:

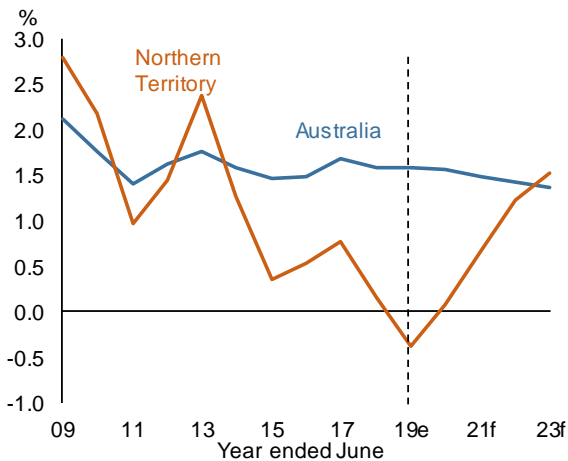
- international goods exports, at an average growth of 20.7 per cent per annum;
- private equipment investment, at an average growth of 5.3 per cent per annum;
- private housing investment, at an average growth of 5.2 per cent per annum; and
- private consumption, with an average growth of 1.0 per cent per annum.

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



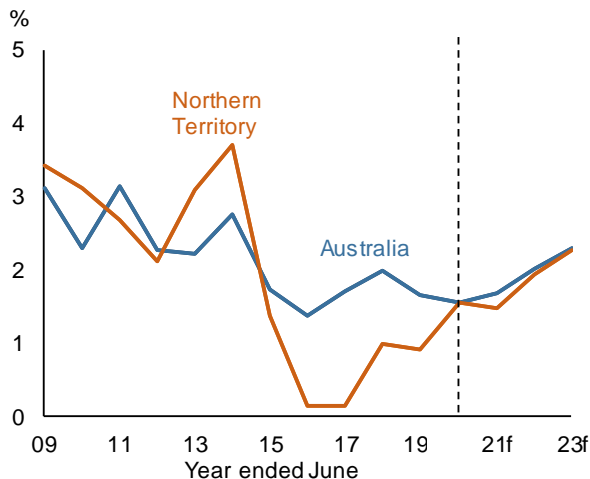
Source: Australian Bureau of Statistics and Deloitte Access Economics Business Outlook

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
2018-19 (actual)	↓3.4%	↑2.5%
2019-20 (forecast)	↓1.6%	↑1.8%
5 year average growth rate	flat	↑1.7%

DAE estimates Territory employment to decrease by 1.6 per cent in 2019-20 (Chart 4).

In the five years to 2022-23, employment growth in the Territory is forecast to be flat, representing the weakest result of all jurisdictions, which range from an increase of 0.6 per cent per annum in Tasmania to 2.1 per cent per annum in Victoria. The national annual employment growth is forecast to average 1.7 per cent per annum over the same period.

The Territory's unemployment rate is forecast to average 4.6 per cent over the five years to 2022-23, compared to 5.1 per cent nationally. In other jurisdictions, the average annual unemployment rate over the next five years range from 3.7 per cent in the Australian Capital Territory to 6.2 per cent in Tasmania.

Population

Population change	NT	Aust
2018-19 (estimate)	↓0.4%	↑1.6%
2019-20 (forecast)	↑0.1%	↑1.6%
5 year average growth rate	↑0.6%	↑1.5%

DAE estimates Territory population to decrease by 0.4 per cent in 2018-19 (Chart 5).

Over the next five years, DAE forecasts Territory population to grow by an average rate of 0.6 per cent per annum, compared to an average of 1.5 per cent per annum nationally.

The five year average annual population growth forecast for the Territory is the lowest of the jurisdictions. In the other jurisdictions, average annual population growth over the five years to 2022-23 range from 0.8 per cent in Tasmania to 1.9 per cent in Victoria.

Consumer price index (CPI)

CPI growth	NT	Aust
2018-19 (actual)	↑0.9%	↑1.6%
2019-20 (forecast)	↑1.5%	↑1.6%
5 year average growth rate	↑1.6%	↑1.8%

DAE estimates Darwin CPI to increase by 1.5 per cent in 2019-20 (Chart 6).

Over the five years to 2022-23, DAE expects growth to average 1.6 per cent on par with national average growth.

Deloitte Access Economics September quarter 2019

Table 1: Deloitte Access Economics Business Outlook

		2018-19	2019-20	2020-21	2021-22	2022-23	5 year average
Northern Territory							
Gross state product	Constant price (\$M)	26 201	27 509	28 432	29 230	29 865	
	% change	0.0	5.0	3.4	2.8	2.2	2.7
NT as a share of Australian output	%	1.4	1.5	1.5	1.5	1.5	
Real final demand	Constant price (\$M)	24 828	25 182	26 137	27 190	28 050	
	% change	-15.6	1.4	3.8	4.0	3.2	-0.6
Private consumption	Constant price (\$M)	11 213	11 342	11 474	11 662	11 864	
	% change	-0.7	1.1	1.2	1.6	1.7	1.0
Private housing investment	Constant price (\$M)	585	554	590	676	770	
	% change	-3.8	-5.3	6.5	14.5	13.9	5.2
Private engineering and commercial investment	Constant price (\$M)	1 841	1 719	2 057	2 376	2 511	
	% change	-70.4	-6.7	19.7	15.6	5.7	-7.2
Private equipment investment	Constant price (\$M)	763	798	856	941	1 002	
	% change	-1.9	4.6	7.4	9.9	6.5	5.3
International goods exports	Constant price (\$M)	5 720	8 374	11 437	13 102	13 750	
	% change	1.2	46.4	36.6	14.6	4.9	20.7
International goods imports	Constant price (\$M)	2 639	2 887	2 977	3 099	3 207	
	% change	-14.3	9.4	3.1	4.1	3.5	1.2
Retail turnover	Constant price (\$M)	3 043	3 127	3 185	3 232	3 298	
	% change	-3.5	2.8	1.9	1.5	2.1	0.9
Total population	Persons (000)	246	246	248	251	255	
	% change	-0.4	0.1	0.7	1.2	1.5	0.6
Population aged 15 and over	Persons (000)	193	194	195	198	202	
	% change	-0.2	0.2	0.9	1.5	1.8	0.8
Employment	Persons (000)	133	130	132	134	137	
	% change	-3.4	-1.6	1.6	1.4	2.1	0.0
Unemployment	Persons (000)	6	7	7	7	6	
Unemployment rate	%	4.6	4.8	4.7	4.6	4.5	4.6
Consumer Price Index	% change	0.9	1.5	1.5	1.9	2.3	1.6
Average Weekly Earnings	\$	1 378	1 420	1 451	1 486	1 519	
	% change	-3.5	3.0	2.2	2.4	2.3	1.3
Wage Price Index	\$	131	134	137	140	143	
	% change	2.1	2.0	2.2	2.4	2.5	2.3

		2018-19	2019-20	2020-21	2021-22	2022-23	5 year average
Australia							
Gross domestic product	Constant price (\$M)	1 851 418	1 891 707	1 941 031	1 995 016	2 052 536	
	% change	2.0	2.2	2.6	2.8	2.9	2.5
International exports	Constant price (\$M)	308 710	311 911	324 796	339 571	357 739	
	% change	2.2	1.0	4.1	4.5	5.4	3.4
International imports	Constant price (\$M)	295 712	292 637	307 119	325 723	341 294	
	% change	-0.4	-1.0	4.9	6.1	4.8	2.9
Total population	Persons (000)	25 232	25 628	26 011	26 381	26 741	
	% change	1.6	1.6	1.5	1.4	1.4	1.5
Population aged 15 to 64	Persons (000)	20 510	20 855	21 185	21 513	21 838	
	% change	1.7	1.7	1.6	1.6	1.5	1.6
Employment	Persons (000)	12 738	12 972	13 119	13 313	13 540	
	% change	2.5	1.8	1.1	1.5	1.7	1.7
Unemployment	Persons (000)	688	721	727	716	701	
Unemployment rate	%	5.1	5.3	5.2	5.1	4.9	5.1
Consumer price index	% change	1.6	1.6	1.7	2.0	2.3	1.8
Average weekly earnings	\$	1 228	1 256	1 288	1 323	1 360	
	% change	2.7	2.3	2.6	2.7	2.8	2.6
Wage price index	% change	2.3	2.2	2.5	2.7	3.1	2.6
Trade weighted index	Index	61.5	59.8	60.9	60.5	59.7	60.5
Exchange rates	\$US per \$A	0.72	0.68	0.70	0.72	0.71	0.7
	Yen per \$A	80.63	77.81	82.79	84.19	83.20	81.7
	Euro per \$A	0.63	0.59	0.58	0.59	0.58	0.6
Crude Oil	(Tapis, \$US/barrel)	71.57	69.52	70.23	73.77	76.41	72.30
	% change	8.0	-2.9	1.0	5.0	3.6	3.0

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

Deloitte Access Economics September quarter 2019

Table 2: Deloitte Access Economics Business Outlook forecasts by jurisdiction

	Year-on-year percentage change 2018-19e								
	Australia	NT	NSW	Vic	Qld	SA	WA	Tas	ACT
GDP/GSP growth	2.0	0.0	2.2	2.2	2.0	1.5	1.8	1.8	2.2
State final demand	1.7	-15.6	2.2	3.4	1.1	1.7	-1.1	4.1	3.0
Population growth	1.6	-0.4	1.5	2.2	1.8	0.8	1.0	1.2	1.8
Employment growth	2.5	-3.4	3.5	3.4	1.7	1.1	1.0	0.4	-0.5
Unemployment rate	5.1	4.6	4.5	4.7	6.1	5.6	6.3	6.2	3.7
CPI	1.6	0.9	1.7	1.7	1.6	1.5	1.3	2.5	2.1
WPI	2.3	2.1	2.4	2.7	2.3	2.2	1.6	2.5	2.1
	Year-on-year percentage change 2019-20f								
GDP/GSP growth	2.2	5.0	2.0	2.3	2.4	1.3	2.1	2.3	2.4
State final demand	1.4	1.4	1.6	1.8	1.3	0.9	1.8	2.5	2.4
Population growth	1.6	0.1	1.4	2.1	1.8	0.8	1.1	0.9	1.7
Employment growth	1.8	-1.6	2.2	2.3	1.5	1.1	1.2	0.7	2.3
Unemployment rate	5.3	4.8	4.5	4.8	6.2	6.6	6.2	6.3	3.6
CPI	1.6	1.5	1.6	1.5	1.6	1.5	1.5	1.7	1.6
WPI	2.2	2.0	2.2	2.2	2.2	1.9	2.0	2.1	2.3
	Five year average annual growth 2018-19 to 2022-23								
GDP/GSP growth	2.5	2.7	2.3	2.7	2.9	1.7	2.5	2.0	2.6
State final demand	2.4	-0.6	2.4	2.8	2.7	1.6	2.6	2.5	3.1
Population growth	1.5	0.6	1.3	1.9	1.7	0.8	1.2	0.8	1.6
Employment growth	1.7	0.0	1.8	2.1	1.7	1.0	1.4	0.6	1.3
Unemployment rate	5.1	4.6	4.5	4.7	6.0	6.0	6.1	6.2	3.7
CPI	1.8	1.6	1.8	1.9	1.8	1.8	1.8	2.1	2.0
WPI	2.6	2.3	2.5	2.6	2.7	2.5	2.4	2.5	2.6

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

	2018-19e								
Rank	NT	NSW	Vic	Qld	SA	WA	Tas	ACT	
GSP growth	8	2	1	4	7	5	6	3	
State final demand	8	4	2	6	5	7	1	3	
Population growth	8	4	1	2	7	6	5	3	
Employment growth	8	1	2	3	4	5	6	7	
Unemployment rate*	3	2	4	6	5	8	7	1	
CPI*	1	5	6	4	3	2	8	7	
WPI	2	6	8	5	4	1	7	3	
	2019-20f								
GSP growth	1	7	4	2	8	6	5	3	
State final demand	6	5	3	7	8	4	1	2	
Population growth	8	4	1	2	7	5	6	3	
Employment growth	8	3	2	4	6	5	7	1	
Unemployment rate*	3	2	4	6	8	5	7	1	
CPI*	4	6	3	5	2	1	8	7	
WPI	3	7	5	6	1	2	4	8	
	Five year average annual growth 2018-19 to 2022-23								
GSP growth	2	6	3	1	8	5	7	4	
State final demand	8	6	2	3	7	4	5	1	
Population growth	8	4	1	2	6	5	7	3	
Employment growth	8	2	1	3	6	4	7	5	
Unemployment rate*	3	2	4	5	6	7	8	1	
CPI*	1	5	6	4	3	2	8	7	
WPI	1	5	6	8	4	2	3	7	

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.

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