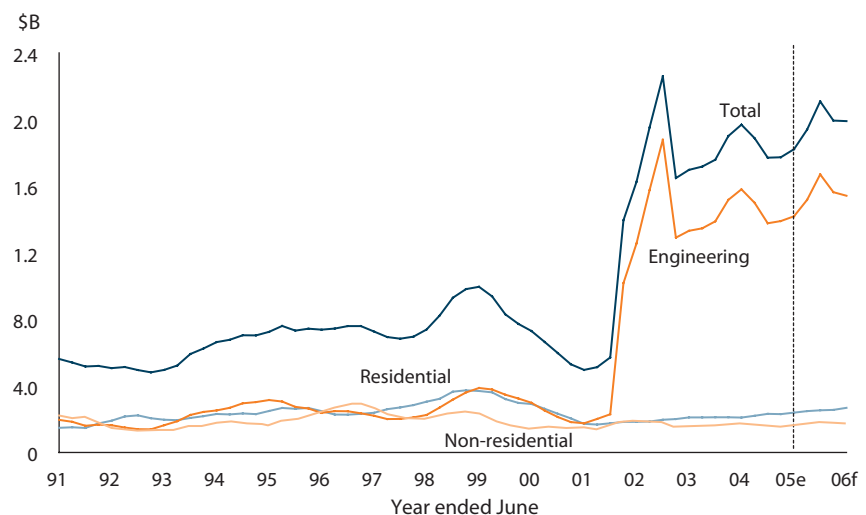


## Construction

- In the Territory, the construction industry accounted for 5.9 per cent of Gross State Product (GSP) on average during the past five years, and employed almost 7.2 per cent of the workforce.
- Construction activity slowed markedly in the period immediately following the major defence force relocation to the Top End, as economic and population growth weakened.
- Although starting to improve, residential and non-residential building and property markets were relatively weak in the early years of the decade. Property markets have strengthened markedly since 2004.
- Major infrastructure projects such as construction of the Alice Springs to Darwin railway line and work to develop the Bayu-Undan oil and gas project have kept engineering construction at record levels in recent years.
- After increasing by around 16 per cent to \$2 billion in 2003-04, the value of construction done is estimated to decrease by 8 per cent to \$1.8 billion in 2004-05. Activity is coming off a high base. In 2003-04, activity was inflated by offshore expenditure attributed to the Territory for the Bayu-Undan stage 1 platforms and the stage 2 pipeline.
- In 2005-06, the value of construction work done is forecast to increase by 9 per cent to \$2 billion. Construction will again be underpinned by engineering work for major projects, but will be supported by strengthening residential and non-residential building activity associated with recovering population growth in the Darwin region.

Chart 9: Territory Construction Work Done (moving annual total, 2002-03 dollars)



e: estimate; f: forecast

Source: NT Treasury, ABS Cat. Nos. 8752.0, 8762.0, 8782.0.65.001