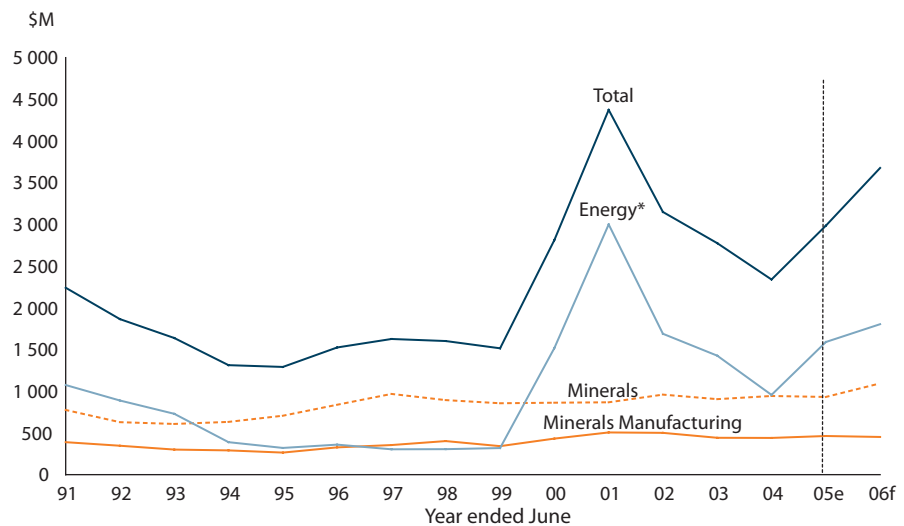


Mining and Energy

- In terms of output, mining is the largest industry in the Territory, accounting for 18.8 per cent of Gross State Product in 2003-04, compared to 4 per cent nationally.
- Like most commodity-based industries, mining output is volatile. Global supply and demand conditions and the impact of exchange rate movements on competitiveness are key factors affecting production and income. Output can also jump markedly as new projects commence production.
- The Territory produces a diverse range of mineral products, most notably oil, bauxite, manganese, lead/zinc and uranium.
- Output has been dominated in recent years by oil production from the Laminaria-Corallina oilfields in the Timor Sea.
- For developments in the Joint Petroleum Development Area in the Timor Sea, half the production will be attributed to the Northern Territory for national accounts purposes.
- The delivery of gas onshore will continue to create significant opportunities for the Territory economy, particularly gas-related manufacturing of LNG and helium and for electricity generation at Gove and for the Territory electricity grid.
- In the short term, strengthening global demand is expected to lead to increased demand for minerals, although increased supply globally is expected to result in price falls for many Territory-produced minerals.

Chart 6: Mineral and Energy Production and Processing



*Includes JPDA Production

e: estimate; f: forecast

Source: NT Treasury, Department of Business, Industry and Resource Development